OHFA Tax Credit Compliance Manual

Revised August 2016

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TITLE 330. OKLAHOMA HOUSING FINANCE AGENCY
CHAPTER 36. AFFORDABLE HOUSING TAX CREDIT PROGRAM

SUBCHAPTER 1. GENERAL PROVISIONS

330:36-1-1. Purpose

The purpose of the Oklahoma Affordable Housing Tax Credit ("OAHTC") Program is to expand the supply of new affordable rental units and rehabilitate existing rental housing for Qualifying Households.

330:36-1-2.1. Authority

The federal Tax Reform Act of 1986 ("Act") and Section 42 of the Code authorize the Credits. Oklahoma Housing Finance Agency ("OHFA") has been designated by the Governor as the State's allocating agency for purposes of administering the OAHTC Program.

330:36-1-3.2. Scope

During each program year, Tax Credit Allocations (TCAs) will be made available to eligible entities for the purpose of implementing specific Developments that further the stated purpose of the OAHTC Program. Eligible entities include, but are not limited to, for-profit developers, non-profits, public agencies, Native American Tribes, private developers, and local governments.

330:36-1-4. Definitions

The following words and terms, when used in this Chapter, shall have the following meanings unless the context clearly indicates otherwise. Additional capitalized terms used in these Chapter 36 Rules are defined in the Code and these Chapter 36 Rules. When a conflict exists between the following definitions and the Code the more restrictive meaning shall be applied.

"Affiliate" means any Person that directly or indirectly through one (1) or more intermediaries, Controls, is Controlled By, or is Under Common Control With any other Person.

"Allocation" means the maximum amount of TCAs available to the Development as a result of the approval of an award by the Trustees. The Credit shall be apportioned to each Qualified Building at the time such Qualified Building is Placed-In-Service.

"Applicable Fraction" means the fraction used to determine the qualified basis of a qualified low-income Building which is the smaller of the Unit Fraction or the Floor Space Fraction.

"Applicant" means any individual, Nonprofit Sponsored Development, Nonprofit organization or profit-motivated individual, corporation, general or limited partnership, limited liability company or other legal entity which has submitted an Application to OHFA for a Credit Reservation and Allocation, and its successors in interest. "Applicant" includes the Owner and Owner's predecessor in interest, if any, and includes any successor in interest, Transferee of all or any portion of the Development, and the heirs, executors, administrators, devisees, successors and assigns of any purchaser, grantee, Transferee, Owner or lessee (other than a Resident) of all or any portion of the Development, and any other Person or entity having any right, title, or interest in the Development.

"Application" means an Application in the form prescribed by OHFA, from time to time, in the Application Packet (AP), including all exhibits and other materials filed by an Applicant with OHFA in support of or in connection with the formal request by the Applicant requesting a TCA.

"Application Packet" (referred to in these Rules as the "AP") means the Application in the form prescribed by OHFA annually, together with instructions and such other materials provided by OHFA to any Person requesting the same for the purpose of seeking to obtain from OHFA a TCA. OHFA will solicit formal public input on the Application Packet, and provide explanation of any significant changes. Staff will present the following year's proposed AP to the Trustees for approval at a Trustees meeting. The AP may include definitive statements of what shall constitute Threshold Criteria, Selection Criteria, priorities, preferences, and compliance and monitoring requirements as may be authorized by or provided for in the Code and these Rules, and may include the necessary forms, instructions and requirements for Applications, market studies, Commitments, Agreements, Elections, set-asides, OHFA staff evaluation criteria for Threshold Criteria and Selection Criteria, final ranking, Credit amounts, tax-exempt bond financed projects, compliance monitoring, and other matters deemed by Trustees, in their complete discretion, to be relevant to the process of evaluation of Applications and the Applicants in connection with the award or denial of TCAs.

"Area Median Gross Income" means the median Gross Income adjusted for household size, for the county or counties where each Building in a Development is located as determined and published annually by HUD.

"Building" means a property containing residential Housing Units located on the Land and included in the Development. For purposes of the Credit Program, each Building is identified by its Building Identification Number (BIN) assigned by OHFA and

its street address assigned by the United States Postal Service. The BIN shall control for Tax Credit purposes. In the event more than one Building is located on the Land, each Building must be identified in the manner required by Code Section 42(g) to be treated as part of the Development. Any Allocation of Credit shall be effective only for the Building(s) identified in a Carryover Allocation Agreement, if applicable, or in Exhibit "A" to the Regulatory Agreement.

"Capital Needs Assessment" (CNA) means a qualified professional's opinion of a property's current physical condition determined after a physical inspection of the interior and exterior of the units and structures as set out in the annual AP. **"Carryover Allocation"** means, an Allocation which is made with respect to a Building or Development pursuant to Code Section 42(h)(1)(E) and/or Code Section 42(h)(1)(F), as the case may be, and in conformance with IRS Notice 89-1 and Treasury Regulation Section 1.42-6.

"Carryover Allocation Agreement" means the contract between Owner and OHFA, authorized and approved by the Trustees. A Carryover Allocation is made pursuant to Code Section 42(h)(1)(E) and/or Code Section 42(h)(1)(F), IRS Notice 89-1 and Treasury Regulation Section 1.42-6.

"Certifications" means the representations made under penalties of perjury by the Applicant, Owner, each Developer, each partner or general partner, party to a joint venture, and/or Resident, as applicable, including but not limited to those representations and Certifications set forth in the Applications and the Regulatory Agreement and Exhibits. Certifications also mean any and all representations made under penalties of perjury with respect to the Development at any time from the date of submission of the Application and throughout the Extended Use Period.

"Code" means the Internal Revenue Code of 1986, as amended, together with applicable rules and regulations, revenue rulings, guidelines, releases, pronouncements, notices or procedures promulgated thereunder or referred to therein or in the applicable rules and regulations.

"Commitment" means a representation or agreement of the Owner/Applicant contained in the Application, or otherwise, which in all cases shall be irrevocable and binding upon Owner/Applicant and its Transferees and successors in interest throughout the Development Compliance Period, unless otherwise noted in the Regulatory Agreement, these Rules, the Application, or any other agreements entered into by Owner/Applicant with OHFA in connection with the Credit Program.

"Compliance Period" means with respect to any Qualified Building, the continuous fifteen (15) year period over which the

Qualified Building must satisfy all requirements of the Code and the Credit Program. The Compliance Period begins with the first year of the Credit Period.

"Consultant" means any Person (which is not an Affiliate of an Owner of the Development) that provides professional or expert services relating to an Application, a Development, or any activities pertaining to the filing of an Application, the award of a TCA, the Carryover Allocation, or cost Certification documents filings with OHFA.

"Control" (including the terms "Controls", "Controlling", "Controlled By", and/or "Under Common Control With") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of any other Person, whether through an ownership interest in the other Person, by contract, agreement, understanding, designation, office or position held in or with the other Person or in or with any other Person, or by coercion, or otherwise.

"Credit" (including the terms Tax Credit and Low-Income Housing Tax Credit) means the Low-Income Housing Tax Credit available for federal income tax purposes under Code Section 42 for a Qualified Building.

"Credit Period" means the ten (10) year period over which the Credit may be claimed for a Building. The Credit Period begins when the Building is Placed-In-Service, for Credit purposes, or if the Owner makes an election under Section 42(f)(1)(B) of the Code, the next year; but only if the Building is a qualified low-income Building within the meaning of Code Section 42(c)(2), by the end of the first year of that period. For an existing Building with Rehabilitation Expenditures, the Credit Period shall not begin before the year that the rehabilitation Credit is allowed under Code Section 42(f)(5).

"Credit Program" means OHFA’s program for approving Allocations and includes, without limitation, adopting the Qualified Allocation Plan and OHFA’s Credit Program Rules, the AP, and all things contemplated therein or appurtenant thereto, including without limitations, monitoring Developments throughout the Extended Use Period and notifying the IRS of the Building’s or a Development’s failure to comply with Code requirements.

"Credit Reservation" means the reservation of a maximum amount available for Allocation to such Development and apportioned to each Qualified Building therein upon meeting the requirements of the Credit Program and Code Section 42.

"Developer" means the Person or entity with the responsibility of ensuring the effective construction or rehabilitation of the Development, including any and all responsibilities as outlined in the Development Agreement, which may also be the Applicant

and/or Owner of the Development. Developer also includes any other Person or organization affiliated with, Controlled by, in Control of or a related party to, the Developer, as determined by OHFA.

"Development" means the Land and one (1) or more Buildings, structures, or other improvements now or hereafter constructed or located upon the Land. If more than one (1) Building is to be part of the Development, each Building must be financed under a common plan and identified in the manner required under Code Section 42(g).

"Development Compliance Period" means the period beginning with the first day the first Building of the Development is Placed-In-Service and continuing thereafter until the latest to end of the following periods for each Building in the Development: (i) the Compliance Period; (ii) the Extended Use Period; or (iii) the "Three Year Period."

"Development Team" means the Applicant, architect, attorney, Consultant, Developer, general contractor, market analyst and/or appraiser, property management company, Owner, tax professional, and the principals of each.

"Drug" for purposes of these OAHTC Program Rules, means "a controlled substance" as that term is defined in Section 102 of the Controlled Substances Act, 21 U.S.C., Section 802.

"Drug-Related Criminal Activity" means the illegal manufacture, sale, distribution, or use of a Drug, or the possession of a Drug with intent to manufacture, sell, distribute or use the Drug.

"Due Date" if a Due Date for submission of documents or fees falls on a weekend or a designated Federal holiday, then the Due Date becomes the next business day.

"Elderly" means all occupant’s must be sixty-two (62) years of age or older. This definition is for consideration for the Elderly set-aside in which one hundred percent (100%) of units are for Elderly as defined in the annual AP and these Chapter 36 Rules. This definition is not superseded by Federal or State definitions.

"Eligible Basis" means generally the depreciable basis in the property.

"Extended Use Period" means the continuous period, a minimum of fifteen (15) years, following the close of the Compliance Period during which a Qualifying Building must satisfy all requirements of the Code and the Credit Program. The Extended Use Period for the Development is set forth on Exhibit "A" to the Regulatory Agreement and may not be revoked or terminated prior to said date except as provided in the Code, these Chapter 36 Rules or in the Regulatory Agreement.

"Floor Space Fraction" means the total floor space of the Low-

Income Unit in the Building divided by the total floor space of all residential units in the Building(whether occupied or not).

"Gross Rent" means the rent received for a Low-Income Housing Unit, including utility allowances but excluding (i) any payments under Section 8 or any comparable rental assistance program; (ii) any fees or supportive services (within the meaning of Code Section 42(g)(2)(B); (iii) paid to Owner (on the basis of the low-income status of the qualified Resident of the Low-Income Unit) by a governmental assistance program or an organization exempt from federal income tax under Code Section 501(c)(3), if such program or organization provides assistance for rent and the amount of assistance provided for rent is not separable from the amount of assistance provided for supportive services; and (iv) rental payments to Owner to the extent an equivalent amount is paid to the Rural Housing Service (RHS) under Section 515 of the Housing Act of 1949. Gross Rent includes the minimum amounts paid toward purchase of a Housing Unit as described in Code Section 42(g)(6). The amount of Gross Rent is determined annually based upon the Area Median Gross Income for the locality in which the Development is located. The annual amount may decrease but such amount will not be reduced below the amount of Gross Rent established in the first year of the Credit Period.

"Hard Construction Costs" means the following types of activities, but not limited to, earthwork/site work, on-site utilities, roads and walks, concrete, masonry, metals, carpentry (rough and finish), moisture protection, doors/windows/glass, insulation, roofing, sheet metal, drywall, tile work, acoustical, flooring, electrical, plumbing, elevators, blinds and shades, appliances, lawns & planting, fence, cabinets, carpets, and heat & ventilation. For calculations of contractor fees, a reasonable contingency can be included.

"Homeless" means (1) lacking a fixed, regular and adequate nighttime residence; and has a primary nighttime residence that is a supervised public or private shelter providing temporary accommodations or a public or private place not ordinarily used as sleeping accommodations for human beings, OR (2) displaced as a result of fleeing violence in the home; and has a temporary residence that is a supervised public or private shelter OR (3) certified by an agency involved in regularly determining Homeless status. OR (4) displaced as a result of a major disaster and receiving FEMA assistance. Homeless individuals are considered Homeless for a period of twenty-four (24) months from the date of move-in, according to Section 103 of the Stewart B. McKinney Homeless Assistance Act and 42(i)(3)(B)(iii)(I) of the Code.

"Housing Unit" means a Low-Income Unit and/or Market Rate Unit located in a Building which is available for rent or is rented by Residents. Common area units are not included.

"HUD" means the U.S. Department of Housing and Urban Development.

"Income" means the Income of one or more qualified Residents, as determined in a manner consistent with the methods under HUD's Section 8 Program.

"IRS" means the Internal Revenue Service of the Treasury.

"IRS Form 8609" means the IRS Form entitled "Low Income Housing Credit Certification". The IRS Form 8609 establishes the maximum Credit for a Building.

"IRS Form 8823" means the IRS form entitled "Low-Income Housing Credit Agencies Report of Noncompliance or Building Disposition" issued or to be issued by OHFA with respect to issues of noncompliance with the laws of the IRS and/or the sale or disposition of the Development.

"Land" means the site(s) for each Building in the Development and having the legal description set forth described in the Carryover Allocation Agreement and Exhibit "A" to the Regulatory Agreement.

"Large Development" means a Development with more than sixty (60) units.

"LIHTC Program" means the Credit Program. "LIHTC Program" may be used interchangeably with the term "Credit Program" or "OAHTC Program".

"Low-Income Unit" means a Housing Unit that is both Rent-Restricted and occupied by qualified Residents, provided that: (i) Housing Unit shall constitute a Low-Income Unit only if it is suitable for occupancy taking into account local health, safety and building codes and it is used other than on a transient basis except in the case of Transitional Housing, all as determined under Code Section 42(i)(3); and (ii) Housing Unit in any Building which has four (4) or fewer total Housing Units shall not constitute a Low-Income Unit if any Housing Unit in the Building is occupied by an Owner or a related Person [within the meaning of Code Section 42(i)(3)(C)] unless such Building is described in Code Section 42(i)(3)(E).

"Market Rate Unit" means a Housing Unit that does not meet the definition of a Low-Income Unit.

"Minimum Low-Income Housing Set-Aside" means the minimum percent required under Code Section 42(g) of Housing Units in the Development to be both Rent-Restricted and occupied by qualified Residents, i.e., Residents whose Income is at or below a certain percentage of Area Median Gross Income. For purposes of Code Section 42(g), Owner must have selected either: (i) twenty percent (20%) or more of the total Housing Units to be Rent-Restricted and occupied by Residents whose Income is at or below fifty percent (50%) percent of the Area Median Gross Income; or (ii) forty percent (40%) or more of the total Housing Units to be Rent-

Restricted and occupied by Residents whose Income is at or below sixty percent (60%) of the Area Median Gross Income as the Minimum Low-Income Housing Set-Aside. The Applicant may, however, have made a Commitment to provide greater percentages of Housing Units that are both Rent-Restricted and occupied by Residents meeting the above Income limitations and/or making Housing Units available to Residents with Income below the above limitations, i.e., an Additional Low-Income Housing Set-Aside. Owner and all Transferees, and successors in interest shall be bound by all Commitments, including the Minimum Low-Income Housing Set-Aside, or Additional Low-Income Housing Set-Aside made in the Regulatory Agreement, or included in the Carryover Agreement or any of the Resolutions of the Trustees respecting the Application, the Development, or Owner.

"National Non-Metro Area Median Income" means as determined and published annually by HUD.

"Nonprofit" means a private Nonprofit organization that is organized under State or local laws; has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual; is neither Controlled By, nor under the direction of, individuals or entities seeking to derive profit or gain from the organization; has a tax exemption from the Internal Revenue Service under section 501(c) (3) or (4) of the Internal Revenue Code of 1986; does not include a public body; has among its purposes the provision of decent housing that is affordable to low-income persons, as evidenced in its charter, articles of incorporation, resolutions or by-laws; and, has at least a one year history of providing affordable housing, and is duly qualified to do business within the State.

"Nonprofit Sponsored Development" means and refers to a proposed Development that has or will have a Nonprofit that has a Controlling interest by reason of an ownership interest in a Person that is or will be the Owner of the subject Development, and has materially participated, or will materially participate (within the meaning of the Code) in the Development and operation of the Development throughout the Compliance Period.

"OAHTC Program" means the Credit Program. "OAHTC Program" may be used interchangeably with the term "LIHTC Program" or "Credit Program".

"OHFA" means Oklahoma Housing Finance Agency a State-beneficiary public trust. OHFA is the allocating agency for the State for purposes of the Credit Program.

"One Year Period (1YP)" means period commencing on the date on which OHFA and the Owner agree to the Qualified Contract Price in writing and lasting twelve (12) calendar months.

"Owner" means the legal Owner of record of the Development, as set forth on page one of the Regulatory Agreement, and any and all

successor(s) in interest. Owner also means any other Person or entity having or acquiring any right, title, or interest in the Development.

"Person" means, without limitation, any natural person, corporation, partnership, limited partnership, joint venture, limited liability company, limited liability partnership, trust, estate, association, cooperative, government, political subdivision, agency or instrumentality, Community Housing Development Organization (CHDO), interlocal cooperative, or other organization of any nature whatsoever, and shall include any two or more Persons acting in concert toward a common goal.

"Placed-In-Service" means: (i) the date on which a new Building or existing Building used as residential rental property is ready and available for its specifically assigned function as evidenced by a certificate of occupancy or the equivalent; or (ii) for Rehabilitation Expenditures that are treated as a separate new Building, any twenty-four (24) month period over which such Rehabilitation Expenditures are aggregated.

"Program Rules" means the various written criteria, requirement, rules, and policies adopted from time to time by the Trustees as the State's Qualified Allocation Plan to administer the Credit Program and to provide for Allocations. The Program Rules must be followed by any participant in the Program. The Program Rules may include requirements that are more stringent than those under Code Section 42.

"Qualified Allocation Plan (QAP)" means these Chapter 36 Rules plus the Application Packet (AP) as defined and other materials provided by OHFA. The deadline for all informal input sessions and the formal public hearing for changes in the QAP will be published by OHFA Staff.

"Qualified Building" means a Building which meets the terms, conditions, obligations, and restrictions of the Program Rules, Carryover Allocation Agreement, Regulatory Agreement, Resolutions of the Trustees respecting Owner or the Development, and Code Section 42(c)(2) for an Allocation and the issuance by OHFA of IRS Form 8609.

"Qualified Contract" means a bona fide contract to acquire the portion of a Building which is not Rent-Restricted for fair market value and the portion of the Building which is Rent-Restricted for an amount not less than the Applicable Fraction for the Building or the sum of: (i) the portion of outstanding indebtedness secured by, or with respect to the Building which is allocable to such Building; (ii) adjusted investor equity in the Building; and (iii) other capital contributions invested in the Building but not reflected in the amounts described in (i) or (ii) above; reduced by cash distributed from the Development or available for distribution from the Development; provided that in all cases, the

purchase price for the Building required for a contract to be a Qualified Contract shall be determined in a manner consistent with the requirements of Code Section 42(h)(6)(F), or such other regulations as prescribed by the Code to carry out this section.

"Qualified Contract Application (QCA)" means an Application containing all information and items required by the OHFA to process a request for a Qualified Contract.

"Qualified Contract Preliminary Application (QCPA)" means a request containing all information and items necessary for OHFA to determine the eligibility of an Owner to submit a Qualified Contract Application.

"Qualified Contract Price (QCP)" means calculated purchase price of the Development as defined within §42(h)(6)(F) of the Code and as further delineated in Chapter 36 Rules.

"Qualified Development" means a Development where the Housing Units are both Rent-Restricted and occupied by Residents whose Income is at or below the level selected as the Minimum Low-Income Housing Set-Aside.

"Qualifying Households" means households whose annual Incomes do not exceed the elected area median family income set-aside required in the Code.

"Regulatory Agreement" means the written and recorded agreement between a recipient of a TCA and the allocating agency, OHFA, placing restrictive covenants upon the Development and the underlying Land for a term of not less than thirty years (30) years, or such other term as may be required from time to time by provisions of the AP, these OAHTC Rules and Section 42 of the Code and the federal rules and regulations promulgated thereunder and containing other restrictions, covenants, warranties and agreements required by State, federal or local law and these OAHTC Rules.

"Rehabilitation Expenditures" means amounts that are capitalized and incurred for the addition to or improvement of an existing Building of a character subject to the allowance for depreciation under Section 167 of the Code. However, it does not include the costs of acquiring a Building or an interest in it, for example, any Developer Fee properly allocated in acquiring a Building or any other soft costs or any amount not permitted to be taken into account under Section 42(d)(3) or Section 42(d)(4) of the Code.

"Rent-Restricted" means that the Gross Rent with respect to a Low-Income Unit does not exceed thirty percent (30%) of the Income limitations for qualified Residents adjusted by the Imputed Household Size, subject to the exception set forth in Code Section 42(g)(2)(E) (relating to certain Housing Units for which federal rental assistance decreases as Resident Income increases).

"Resident" means an individual or group of individuals (other

than an Owner) residing in a Housing Unit.

"Resolution" means an official action of the Trustees and may include all Resolutions adopted by the Trustees with respect to a Development.

"Review Report" means the Threshold Criteria Review and Selection Criteria Review containing the results of OHFA's review of the Application and scoring of the Application. There are preliminary and final versions of the Review Report for each Application.

"Rural Area" means any city, town, village, area or place generally considered rural by the Secretary of Agriculture (RHS) for rural housing programs. Verification will be obtained by OHFA staff.

"Rural Development" means a Development that is, or will be located within a Rural Area. RHS 538 only projects are not eligible for the Rural 515 set-aside, but may qualify under other set-asides.

"Section 8" means Section 8(c)(2)(A) of the United States Housing Act of 1937, as amended.

"Selection Criteria" means the evaluation criteria, over and above the Threshold Criteria, set out in the annual AP, which shall be established and may be changed by OHFA from time to time in the annual AP (using the priorities for the State as they are established from time to time under and pursuant to these Rules and the annual AP), to determine the Development's qualifications, and which are the basis for ranking Applications and establishing a relative level of acceptability for consideration under the Rules and the annual AP for the possibility of the award of a TCA by OHFA. Although the Selection Criteria may be given substantial weight by the Trustees in deciding whether or not a particular Application and Applicant shall be awarded a TCA, the Trustees reserve the right to take into consideration such other factors as they, in their complete discretion, deem appropriate.

"Site Control" means the exercise of dominion or Control over the property through the execution of a purchase, sale, or long-term lease agreement (with a lease term that exceeds the Extended Use Period), receipt of a deed or conveyance of the Land where the Development will be located, or an option to purchase the property (where the option is not revocable on the part of the seller). OHFA alone will decide if an Applicant or Owner has obtained Site Control.

"State" means the State of Oklahoma.

"Targeted Populations" means such populations as may be designated from time to time in the annual AP by official action of the Trustees, which designations may include, but are not necessarily limited to, the Homeless, the Elderly, persons with mental and physical disabilities and/or disabled persons.

"Tax Credit Allocation (TCA)" means a federal Low-Income Tax Credit Allocation by OHFA to a Development Owner pursuant to Section 42 of the Code, QAP, and formal action by the Trustees.

"Three-Year Period" for a Building means the three (3) year period following: (a) the date of acquisition of such Building by foreclosure or forfeiture under a deed of trust, mortgage or real estate contract or by deed in lieu of foreclosure; or (b) the end of the Extended Use Period, or (c) in the case of the release of the affordability restriction due to the failure of OHFA to present a QC before the expiration of the One Year Period, the recording of a Release of Regulatory Agreement by OHFA. During the Three-Year Period the Owner may not evict or terminate a tenancy of an existing tenant of any Low-Income Unit except for good cause. During the Three-Year Period the Owner may not increase the Gross Rent with respect to any Low-Income Unit except as permitted under Section 42 of the Code.

"Threshold Criteria" means the criteria set out herein and in the annual AP, which shall be established and may be changed by OHFA from time to time in the annual AP, to determine the qualifications of the Applicant and the Owner and the proposed Development, presented in each Application that are the minimum level of acceptability for consideration under the Rules and the annual AP for the possibility of the award of a TCA by OHFA. Failure to satisfy all Threshold Criteria set out in the annual AP may result in the disqualification of the Application for further consideration, and may require no further action by OHFA Staff except to notify the Applicant of the disqualification.

"Total Development Costs" means the total costs incurred in acquiring and developing the Development as set forth in the proposed budget for the Development included in the Application. Total Development Costs will be certified by an independent certified public accountant’s Certification of sources and uses of funds at times prescribed by OHFA.

"Transfer" means any sale, Transfer, merger, consolidation, liquidation, contribution, assignment, exchange or other change in all or part of the Ownership of the Land and/or Development or any Building which is a part thereof, whether voluntary or involuntary, and also includes: a Transfer, sale, contribution or assignment by the Applicant, Owner or Developer of all or any part of its rights, title or interest in the Application, Carryover Allocation Agreement, Credit, Land, Building and/or Development to another party; or a withdrawal, change or addition of any partner to a general partnership, general partner of a limited partnership, any party to a joint venture or the manager of a limited liability company.

"Transferee" means any and all successor(s) in interest of Owner and any other Person or entity having or acquiring any

right, title, or interest in the Development.

"Transitional Housing" for purposes of these OAHTC Program Rules means Transitional Housing for the Homeless which meets the requirements of Code Section 42(i)(3)(B)(iii)

"Treasury" means the United States Department of the Treasury.

"Trustees" means the Board of Trustees of OHFA.

"Unit Fraction" means the fraction of a Building devoted to low-income housing, the numerator of which is the number of Low-Income Housing Units in the Building, and the denominator of which is the number of total Housing Units, whether or not occupied, in the Building.

"Violent Criminal Activity" means any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.

330:36-1-7. National standards incorporated by reference

(a) The national standards for development of the OAHTC Program are hereby incorporated by reference, including Code Section 42 and all federal regulations, promulgated thereunder, including, but not limited to, 26 CFR Sections 1.42-5, 1.42-6, 1.42-11, 1.42-13 and 1.42-17.

(b) Copies of Code Section 42 and applicable federal regulations may be obtained from OHFA, during regular business hours Monday through Friday 8:00 a.m. to 4:45 p.m., excluding legal holidays. They can also be accessed at www.ohfa.org.

330:36-1-9. Regulatory Agreement/Compliance Manual/Compliance with Applicable Laws

(a) **Regulatory Agreement.** TCA recipients must enter into a written Regulatory Agreement with OHFA. Requirements, procedures, and processes provided in the applicable Regulatory Agreement and amendments to it shall apply to Developments and the Owner(s) thereof.

(b) **Compliance Manual.** OHFA shall provide each Owner upon request with a Compliance Manual at a cost sufficient to defray the cost of production. The Compliance Manual will also be available on OHFA’s website at www.ohfa.org.

(c) **Compliance with Applicable Laws.** The Applicant, the Development, the Owner(s) of the Development, the Development Team and the Affiliates of each must comply with all applicable federal, State and local laws, rules, regulations and ordinances, including but not limited to, Code Section 42, and regulations promulgated thereunder, the Oklahoma Landlord Tenant Act, the Titles VI and VII of the Civil Rights Act of 1964, as amended and Title VIII of the Civil Rights Act of 1968, as amended. Neither

the Applicant, the Owner(s) of a Development, the Development Team nor the Affiliates of each shall discriminate on the basis of race, creed, religion, national origin, ethnic background, age, sex, familial status or disability in the lease, use or occupancy of the Development or in connection with the employment or application for employment of Persons for the operation and/or management of any Development. The Owner(s) of a Development will be required to covenant and agree in the Regulatory Agreement to comply fully with the requirements of the Fair Housing Act as it may from time to time be amended, for the time period as promised in the Application.

330:36-1-11. Technical assistance

OHFA will, from time to time, provide OAHTC Program technical assistance regarding the Code, these Rules, the AP and their implementation and proposed Development concepts.

SUBCHAPTER 2. ALLOCATION PROCEDURES

330:36-2-1. TCAs distribution

(a) OAHTCs allocated annually to the State by the IRS shall be awarded to Applicants selected through a formal Application process governed by the Qualified Allocation Plan (QAP).

(b) TCAs will be awarded according to the Act, Code, these Chapter 36 Rules, the annual AP, and at the discretion of the Trustees, by their formal action, giving consideration to Staff recommendation following a thorough review and financial feasibility analysis.

(c) The Trustees reserve the right, to consider and make an award of TCAs at any time as the Trustees, in their sole discretion, deem such award appropriate under the circumstances and facts presented to them. Approval of such an award shall be at a regularly scheduled or special meeting of the Trustees and shall be made by formal action, giving consideration to Staff review and recommendations.

(d) The AP shall be made available to parties considering the filing of an Application and interested parties upon request. The AP can be accessed at OHFA’s website, www.ohfa.org.

330:36-2-2. Additional Credits

(a) Guidelines for Applications for additional Credits will be established in the annual AP. Limitations may be placed on types of Developments, amount of additional Credits, or type of Applications.

(b) The timing of acceptance of Applications for additional Credits will also be established in the annual AP.

330:36-2-3. Set-aside categories for TCAs

(a) The annual allocation of OAHTC Program tax Credits made available to the State may be divided into various set-aside categories, including but not necessarily limited to, Nonprofits, Rural 515, Other Rural, Elderly, and such other categories as the Trustees, in their complete discretion, may adopt from time to time for inclusion in the annual AP. Nonprofits competing in the Nonprofit set-aside must comply with the definition of Nonprofit Sponsored Development in these Chapter 36 Rules.

(b) Specific set-aside categories and amounts for each category may be determined from time to time by formal action of the Trustees and shall be set out in the annual AP. The Trustees may, in their sole discretion, modify the amount of the State's annual allocation of Credits devoted to any set-aside, if they determine that the housing needs of the State so warrant, except for the maximum ninety percent (90%) allocation limitation to those other than Nonprofits as required by the Code.

330:36-2-5. Geographic Allocation of TCAs

OHFA's jurisdiction for location of Developments shall be the entire State of Oklahoma, and, subject to the priorities established from time to time in the annual AP, OHFA may make awards of TCAs throughout the State.

330:36-2-7. Award amounts

(a) The maximum TCA for any one Development proposal shall be established in the AP.

(b) TCAs may be for amounts less than applied for based upon OHFA's financial and feasibility analyses. In order to make the most efficient, equitable and practicable utilization of the State's tax Credit allocation, the Trustees of OHFA may approve, giving consideration to the recommendations of OHFA's staff, the utilization of funding from other housing programs administered by OHFA which may also result in a decrease in the amount of the TCA approved.

330:36-2-9. Reallocation of additional tax Credits

(a) Annually, additional tax Credits may become available for the award of TCAs as the result of:

(1) Development cancellations;
(2) Developments completed under original cost estimates;
(3) Credits Allocated but not utilized; or,
(4) Other circumstances.

(b) In keeping with the annual AP, OHFA may award TCAs based on the amount of Credits available, in the calendar year any such Credits first become available.

(c) The Trustees reserve the right, to consider Allocations of TCAs outside the established reservation period(s) for a given calendar year. The Trustees, in their sole discretion, reserve the right to approve such an Allocation of TCAs, provided the facts presented to them demonstrate a special circumstance or need and said Allocation promotes the development of residential use housing within the State. Provided however, the Trustees also reserve the right to deny any request for an Allocation of TCAs made outside the established reservation period(s) for a given calendar year. Consideration of all Allocations of TCAs shall be made at a regularly scheduled or special meeting of the Trustees and shall be made by formal action, giving consideration to Staff review and recommendations.
(d) All Credits not awarded in any calendar year shall be carried over for use in the next calendar year, in accordance with the provisions of the Code, these Rules, the annual AP and/or the formal action of the Trustees.

330:36-2-11. OHFA Development notification
(a) OHFA shall, within fifteen (15) business days of receipt of an Application, and not less than thirty (30) calendar days prior to the Trustees consideration thereof, notify, in writing, by certified mail or other form of traceable delivery system to provide proof of transmission and receipt, the Mayor or highest elected official, or if neither of the aforementioned exist, the Chief Executive Officer of each Local Governing Body of the jurisdiction within which the proposed Development is located at the time of Application and the legislators who are entitled to such Notice, regarding the characteristics of the proposed Development located within their jurisdiction/district. All comments received from said Mayor or highest elected official, or if neither of the aforementioned exists, the Chief Executive Officer and/or legislator(s) during this thirty (30) day comment period will be presented to the Trustees for their consideration when reviewing a request for an Allocation of Credits.
(b) If the Application is considered at a different Trustees meeting than in the notice, this notification requirement is considered to be met.

330:36-2-12. Communications with OHFA during Application Review
(a) **Communications with OHFA Employees.** Following submission of an Application, neither the Applicant, any representative or Affiliate of the Applicant, nor any member of the Development Team shall contact any OHFA employee, concerning the Application nor any other Applications filed. OHFA reserves the right, in OHFA's sole discretion, to contact the contact person(s) identified by the Applicant for the purpose of clarifying any

matter.
(b) **No Ex Parte Communications with the Board of Trustees of OHFA.** Neither an Applicant, any representative or Affiliate of the Applicant, any member of the Development Team, nor members of the public shall communicate, directly or indirectly, with the Trustees regarding an Application under consideration by OHFA except upon notice and opportunity for all parties to participate. Applicants and others who wish to communicate with the Trustees must follow the specific steps as set forth in 330:36-2-13.1.
(c) **Preliminary Review Report.** Following the release of the preliminary Review Report, the Applicant may submit questions or request clarification concerning the preliminary Review Report. All such questions or inquiries must be in writing and addressed to the Staff member designated in the cover letter accompanying the preliminary Review Report. These questions may be submitted electronically. OHFA reserves the right to grant or deny requests for meetings with the Staff of OHFA at any time during the Application process. Any and all requests must be in writing.
(d) **Final Review Report.** Upon issuance of the final Review Report by OHFA, communications with OHFA shall be made in the manner and time set forth in 330:36-2-13.
(e) **Noncompliance.** Failure to comply with this subsection 330:36-2-12 may result in termination of the review process and denial of the Application.

330:36-2-13. Preliminary Review Reports
(a) Upon completion of its review of all Applications, OHFA will forward OHFA's preliminary Review Report to the contact person identified by the Applicant in the Application.
(b) The Applicant must provide OHFA with any information requested by OHFA in the preliminary Review Report or other clarifying information by the deadline given in the cover letter accompanying the preliminary Review Report. Neither the Staff nor the Trustees will be required to consider a late response to the preliminary Review Report.
(c) In the event the Applicant disputes any matter contained in the preliminary Review Report, including without limitation any finding, determination, recommendation or scoring by OHFA, the Applicant's response to the Review Report must identify with specificity the disputed matter, finding, determination, recommendation, scoring, etc., and the Applicant's reason for disputing same, including any evidence which controverts the Review Report. Any applicable statutes, rules, regulations or ordinances should be cited. Documentary evidence should be attached.

(d) Failure to respond or dispute a finding or determination in the preliminary Review Report shall be deemed the acceptance of the finding or determination by the Applicant.
(e) The Applicant's response to the preliminary Review Report must be in writing. Electronically transmitted responses, including fax and e-mail transmissions, are not permitted and will not be reviewed. Applicants are encouraged to use certified mail, Federal Express or another carrier providing proof of timely delivery to OHFA.

330:36-2-13.1 Final Review Report.
(a) The Staff of OHFA will consider the Applicant's response to the preliminary Review Report prior to issuing the final Review Report and making its recommendations to the Trustees. The Applicant will be informed of Staff's recommendations prior to the meeting of the Trustees where the Application is being considered. OHFA will forward OHFA's final Review Report to the contact person identified by the Applicant in the Application.
(b) The final Review Report may be adopted by the Trustees, including Staff's recommendations and exclusion of any additional documentation proffered by the Applicant for consideration of the Application by the Trustees.
(c) In the event the Applicant disputes any matter contained in the final Review Report, Applicants must file ten (10) copies of any response(s) to the final Review Report or other information they wish the Trustees to consider not less than forty-eight (48) hours prior to the commencement of the meeting where the Application will be considered. In addition to the hard copies, Applicants must submit an electronic version of the response. If both the hard copy and the electronic version are not received, the responses will not be accepted or considered by the Staff or the Trustees.

330:36-2-16. Carryover Allocations
(a) **Code reference.** Code Section 42(h)(1)(E) provides that an Allocation may be made to a Qualified Building, as defined by Section 42(h)(1)(E)(ii), which has not yet been Placed-In-Service, provided the Qualified Building is Placed-In-Service not later than the close of the second calendar year following the calendar year of the Allocation.
(b) **Carryover Allocation applications.** Owners must submit a carryover application and required documents at a date specified by OHFA staff. The Owner must satisfy all requirements of the Code and OHFA staff.
(c) **Carryover Allocation basis.** To qualify for a Carryover Allocation, the Owner must demonstrate that the Owner's basis in the Development, at one (1) calendar year after the date of

Allocation, is more than ten percent (10%) of the Owner's reasonably expected basis in the Development. Developments that fail to meet the ten percent (10%) test will not have a valid Carryover Allocation. The ten percent (10%) test must be certified by the Owner's certified public accountant, in a form acceptable to OHFA. OHFA's determination as to the satisfaction of the ten percent (10%) requirement is not binding upon the IRS and does not constitute a representation by OHFA to the taxpayer or any other party to that effect.

(d) **Carryover Allocation Agreement.** The Owner must submit to OHFA an executed Carryover Allocation Agreement, in a form and at a date specified by OHFA.

(e) **Notification of Placed-In-Service date.** Applicant must notify OHFA within thirty (30) calendar days of the date the Building(s) is/are Placed-In-Service or be subject to loss of any Allocation. Notice will consist of submission of copies of the Certificates of Occupancy for each Building and completion of any and all forms as may be required in the AP.

(f) **Development based Allocation.** An Allocation pursuant to Code Section 42(h)(1)(F) must meet the requirements of Code Section 42(h)(1)(F), all applicable Treasury Regulations, and these Chapter 36 Rules.

330:36-2-17. Final Allocations

(a) **Prior approval.** Applicants must have previously been approved for a Credit Reservation, either in a prior year or previously in the calendar year in which the request is made.

(b) **Deadline for filing.** Owner's request for approval of the Final Allocation must be received by OHFA at such date as OHFA may specify in writing to the Owner. Failure to file a timely Final Allocation accompanied by all required documentation may result in the denial of the Final Allocation and a determination by the Trustees that the Credits have been returned by the Applicant.

(c) **Complete filing.** The Final Allocation must be accompanied by all evidence or documentation required by the Program Rules then in effect, and such other information or documentation which may be requested by OHFA, in its sole discretion, to verify compliance with the Code, the Program Rules and the Resolutions, and to verify the amount of the Final Allocation. A complete and executed Regulatory Agreement in the form provided by OHFA and ready for filing, together with the appropriate fees, including without limitation applicable filing, must be filed with the Final Allocation. The Regulatory Agreement shall contain provisions for regulation and enforcement by OHFA and such additional provisions as may be necessary to assure compliance with Section 42 of the Code or to

give effect to the requirements of OHFA.

(d) **Additional requirements.** In addition to the opinions and Certifications of professionals which may be required to be filed with OHFA pursuant to 330:36-2-16 in connection with a request for a Carryover Allocation, prior to making a Final Allocation, OHFA will require:

(1) An audited Certification of the Total Development Costs, and the Eligible Basis and qualified basis of each Building in the Development and the sources and uses of funds for the Development prepared from an independent certified public accountant.

(2) All opinions must be in a form satisfactory to OHFA and must indicate that the professional has made an independent inquiry into the matters contained therein.

(e) **Approval.** Upon receipt of a completed Final Allocation, OHFA will conduct a final feasibility analysis. Approval of the Final Allocation is subject to Owner's continued compliance with the Code, the Program Rules, the Resolutions, all terms and conditions of this Agreement, and Owner's payment of all fees required by the Program Rule.

(f) **Issuance of Form 8609(s).** OHFA will issue IRS Form 8609(s) respecting each such Development (or each Building therein) to the extent required by, and in accordance with, the Code and the Program Rules. No Form 8609(s) shall be issued if OHFA has not received an executed Regulatory Agreement and all Exhibits thereto, applicable fees, and resolution of any issues to OHFA’s satisfaction.

SUBCHAPTER 4. DEVELOPMENT APPLICATIONS AND SELECTION

330:36-4-1. Development Applications

For the purpose of selecting Applicants and Developments for awards of TCAs all Applicants must submit an Application in the form prescribed in the annual AP. The Application shall set forth, in a clear and concise manner, Threshold and Selection Criteria that conform to the Code, these Chapter 36 Rules, QAP, and the annual AP. All Applications submitted to OHFA must contain sufficient information to permit OHFA staff to:

(1) Make a factual determination as to whether, on its face, the Application satisfies each of the applicable Threshold Criteria, including underwriting standards set forth in the annual AP; and

(2) Make a factual determination as to whether, on its face, the Application is to be evaluated under any set-aside category established by the AP; and

(3) Conduct a review, assessment, and evaluation for selection as described in the annual AP.

330:36-4-1.1. Bond financed Developments

(a) Tax-exempt bond Developments financed at least fifty percent (50%) with the proceeds of tax-exempt bonds subject to the private activity bond volume cap are required to comply with all the requirements of these Rules with the exception of the competitive selection process.

(b) Code requirements for bond financed Developments must be met in addition to the AHTC requirements, i.e., rental units, rents, student exemptions, Transfers on site, occupancy changes, verification of assets.

(c) Deadlines for the submission of Applications for bond financed Developments will be established in the AP.

330:36-4-2. Selection of Applications for award of TCAs

(a) **General.** For the purpose of selecting Applications for awards of TCAs, OHFA may annually develop Threshold and Selection Criteria that conform to the Code, the OAHTC Program purposes and these Chapter 36 Rules for inclusion in the next year's AP. The number, severity, or value of any one or more of the Threshold or Selection Criteria items may be increased by adoption of an AP for a given year that contains such increased Threshold or Selection Criteria items. However, each AP must contain for any annual AP, criteria to evaluate set-asides and all Threshold and Selection Criteria.

(b) **Minimum Threshold Criteria.** Failure to meet all Threshold Requirements set forth in the AP upon initial submission of the Application may result in the Application being rejected without further review. The Threshold Criteria may include, but are not necessarily limited to the following:

(1) **Notice Requirements.** The provisions of this subsection apply to all Applicants for a TCA, All notice requirements must be satisfied not less than thirty (30) and no more than ninety (90) calendar days prior to submission of an Application. Each Application requires notice. If the Application is considered at a different Trustees meeting than in the notice, this notification requirement is considered to be met.

(A) **Written Notices.** The Applicant must notify, in writing and by a form of traceable delivery, the local Mayor or highest elected official, or if neither of the aforementioned exist, the Chief Executive Officer of the Local Governing Body, Chairman of the appropriate county commissioners, and state legislators (or their successor) within whose district the Development is located at the time of Application

regarding their intent to submit an Application. This written notice shall serve to provide a reasonable opportunity to comment on the Application.

(B) **Additional notice requirements.** If the site for the Development is not located within the specific corporate limits of an incorporated town or city, but is within two (2) miles of an incorporated town(s) or city (ies) limits, Applicant must provide the same notice to each such town(s) and city (ies) as if the site was located within the corporate limits of each such town(s) and city (ies).

(C) **Publication notice.** Notice of an Applicant's intent to file an Application shall also be published in the local newspaper of the area wherein the Development will be located. The requirements for the publication notice will be in the annual AP.

(2) **Market analysis.** All Applicants must submit a third party, independent housing market analysis conforming to the Threshold Criteria set forth in the annual AP, demonstrating and documenting the status of the market demand for the type and number of Housing Units proposed to be developed. The market analysis must be prepared no more than twelve (12) months prior to the date Application is filed with OHFA.

(3) **Nonprofit Owners.** Applicants proposing Developments under the Nonprofit set-aside must demonstrate and document that the Nonprofit Owner and/or Nonprofit ownership participant meet the definition of a Nonprofit Sponsored Development as defined in Section 42h(5)(C) of the Code and these Chapter 36 rules at 330:36-1-4. Applicants for Nonprofit set-aside TCAs must demonstrate that the Nonprofit participant:

(A) is at least a minimum of fifty-one percent (51%) co-general partner, co-managing member, or a Controlling stockholder, or can otherwise demonstrate ownership;

(B) will materially participate, on a regular basis, in the planning and construction of the Development, and in the operation and management of the Development throughout the entire Compliance Period pursuant to 26 CFR § 1.469;

(C) has a Board of Directors and Officers that are independent from any for-profit Development partner;

(D) is duly authorized to do business within the State; and

(E) has at least one demonstrable year of affordable housing experience.

(4) **Resolution of local support.** Applicants must provide documentation of official local support for the Development by the jurisdiction within which the proposed Development is located at the time of Application, i.e. the Local Governing Body. The required documentation must be in the form of a resolution duly adopted by the Local Governing Body, and must

be in a form that shall be subject to approval by OHFA. If there are any conditions set forth in the resolution of support, OHFA may exercise its discretion to contact the governing body to ascertain the potential impact of the conditions. If a conditional resolution of support is submitted, it may result in a determination that the Application has not met Threshold Criteria.

(5) **Capacity and prior performance.** Each Applicant must demonstrate and document the degree of expertise of Applicant and Owner, the Development Team, general partner, and principals thereof in the use of TCAs in the development, rehabilitation and/or conversion, management and operation of properties related to the type of the proposed Development. Applicants, Owners, Development Team members, general partners, their Affiliates, and principals thereof shall be examined in regard to their Placed-In-Service Developments, and the record of compliance performance within Oklahoma and other states in which the Applicants, Owners, Development Team members, general partners, their Affiliates, and principals thereof have developed or are developing affordable housing. Applicants, Owners, Development Team members, general partners, their Affiliates, and principals thereof with existing Developments may be ineligible for a TCA where OHFA has or receives notice of uncorrected or repeated instance of nonperformance by Applicant, Owner, the Development Team, general partners, their Affiliates, or principals thereof. Instances of nonperformance include, but are not limited to:

(A) failure to meet and maintain minimum property standards;

(B) failure to meet and maintain any material aspect of a Development as represented in a Development Application;

(C) having been involved in uncured financing defaults, foreclosures, or placement on HUD’s list of debarred contractors;

(D) events of material uncorrected noncompliance with any Federal or State assisted housing programs within the prior seven (7) years;

(E) the appointment of a Receiver; conviction on a felony criminal charge; or bankruptcy within the prior seven (7) years;

(F) failure to comply with OHFA’s requests for information or documentation on any Development funded or administered by OHFA;

(G) removal as a general partner; or

(H) excessive late or incomplete reports to OHFA.

(6) **Acquisition Credits.** Applicants requesting acquisition Credits must provide an opinion of independent counsel, in a form satisfactory to OHFA, that the requirements of Code

Section 42(d) (2)(B) have been met or a waiver obtained from the IRS. If an existing waiver or waiver to be granted is claimed, a copy of the waiver letter or a copy of the letter indicating a waiver will be granted and is forthcoming must be included in the Applicant's Development proposal.

(7) **Financial feasibility and viability**. Applicants must demonstrate that there are Commitments to the Development's financial feasibility and viability as a qualified low-income housing Development. Applicants must demonstrate to OHFA's satisfaction that the Applicant has financing Commitments for one hundred percent (100%) of the project's total estimated construction and permanent financing. Items required to be included in financing Commitments will be established in the annual AP. Requirements set out in 36-4-2.1 (b)(c) and (d) are part of the analysis for financial feasibility.

(8) **Readiness to proceed**. Applicants must demonstrate readiness to proceed in a timely manner should they be awarded a TCA. Factors that may be considered regarding Development readiness may include but not be limited to:

(A) Site Control;
(B) preliminary plans or specifications;
(C) proper zoning for the proposed Development; and
(D) others as established in the annual AP.

(9) **Public Housing Wait Lists**. Documents for this criterion will be established in the annual AP.

(10) **Capital Needs Assessment.** All Applications for rehabilitation will be accompanied by a Capital Needs Assessment as established in the annual AP.

(11) **Development amenities.** Each Application will be analyzed and evaluated as to Commitments made therein for the provision of amenities. Amenities and documentation requirements will be established in the annual AP.

(12) **Family Developments including tenant populations of individuals with children.** Each Application will be analyzed and evaluated as to the extent to which it is demonstrated the Development will provide amenities and a unit mix conducive to family Developments and tenant populations with children. Amenities and documentation requirements will be established in the annual AP.

(13) **Tenant Populations of Elderly Individuals.** Each Application will be analyzed and evaluated as to the extent to which it demonstrates the Development will provide amenities and a unit mix conducive to Elderly populations. Amenities and documentation requirements will be established in the annual AP.

(c) **Selection Criteria.** The Selection Criteria shall be set forth in the annual AP, and may include, but not necessarily be limited

to the following:

(1) **Income targeting.** Each Application will be analyzed and evaluated as to the extent to which it is demonstrated therein a Commitment to target lower-income populations. Points will be established in the annual AP.

(2) **Term of affordability.** Each Application will be analyzed on its ability and evaluated as to any Commitments made therein in regard to serving qualified tenants for a period of time longer than the minimum required by the Code. Points will be established in the annual AP.

(3) **Development location and housing characteristics.** Each Application will be analyzed and evaluated as to the geographic location and prevailing market conditions for the proposed Development. Locations and points will be established in the annual AP.

(4) **Development Leverage.** Each Application will be analyzed and evaluated as to the extent to which it results in tangible, cost beneficial investments or contributions to the proposed Development. Points will be established in the annual AP.

(5) **Community Support.** The extent to which local governments and other community partners commit support for a proposed Development will be analyzed. Support must be directly related and of direct value to the proposed project. Eligible evidence of support and points will be established in the annual AP.

(6) **Development Team Experience.** Each Application will be analyzed and evaluated as to the experience of the Applicant and/or the Development Team in owning and successfully operating Developments in the LIHTC Program. Points will be established in the annual AP.

(7) **Management Experience.** Each Application will be analyzed and evaluated as to managing or providing management for Developments in the LIHTC Program. This evaluation will be based on the experience of the management team members. Changes in management may not occur after the Reservation without the prior written approval of OHFA and the payment of the management Transfer fee. Points will be established in the annual AP.

(8) **Tenant/Targeted Populations.** Each Application will be analyzed and evaluated as to the extent to which Commitments are made therein to serve such Targeted Populations as are designated in the annual AP. Points will be established in the annual AP.

(9) **Tenant ownership.** Applicants proposing single family home ownership after the Compliance Period must submit a detailed plan which includes projections on maintenance, tenant reserve funds, etc., which will be evaluated for feasibility. Points will be established in the annual AP.

(10) **Preservation of 15 year old affordable housing.** Points and criteria may be established in the annual AP for the preservation of affordable housing.

(11) **Energy Efficiency/Green Building of a Development.** Applicants are encouraged to provide energy efficient Developments and to utilize green building. This may be a separate point category, or it may be combined within another Threshold or Selection category. Points will be established in the annual AP.

(12) **Historic Nature of a Development.** Points will be established in the annual AP regarding the historic nature of Developments. This may be a separate point category, or it may be combined within another Threshold or Selection category.

(13) **Negative Points**. OHFA Staff may deduct points for records of poor performance. Point deductions will be established in the annual AP.

(14) **Tie-breaker.** In case there are Applications with the same final score in any set-aside that will affect funding, the tie-breaker procedure will be established in the annual AP.

(d) **OHFA Trustee discretion.** Notwithstanding the point ranking under the Selection Criteria set forth above under 330:36-4-2(c), the Trustees may in their sole discretion allocate Credits to a project irrespective of its point ranking, if Allocation is:

(1) in compliance with Code Section 42;

(2) in furtherance of the housing goals set forth herein, in the AP or any formally adopted Resolution of the Trustees; and

(3) determined by the Trustees to be in the interests of the citizens of the State.

330:36-4-2.1. General program requirements and limitations

(a) **General. [Reserved]**

(b) **Developer Fee limitations.** The amount of allowable Developer Fees shall be established in the annual AP.

(c) **Contractor Fee limitation.** Allowable contractor fees shall be established in the annual AP.

(d) **Underwriting standards**.

(1) **Total reserves.**

(A) Minimum reserves must equal the sum of six months of each:

(i) projected operating expenses

(ii) debt service payments and

(iii)annual replacement reserve payments.

(B) Minimum replacement reserves should equal $250.00 per unit annually for new construction and $300.00 for rehabilitation Developments.

(C) Developer guarantees or letters of credit may be accepted in lieu of operating reserves, at the discretion of OHFA.

The Developer must demonstrate financial capacity and liquidity. OHFA will also consider the Developer's performance record and the number of other guarantees outstanding.

(2) **Debt service coverage.**

(A) Debt service coverage means the ratio of a property's net operating income to debt service obligations.

(B) The minimum acceptable debt service coverage ratio will be established in the AP.

(3) **Projections.** All projections and pro-formas must contain realistic operating expense and vacancy rate projections consistent with prevailing market conditions.

(4) **Cost limits.** Costs per unit must be realistic. Specific cost per unit criteria will be established in the annual AP. OHFA encourages cost efficient production, but will not give a preference solely for lowest construction costs.

(5) **Minimum Hard Construction Costs per unit for rehabilitations.** No Allocations for rehabilitation will be made unless a minimum of $20,000 in Hard Construction Costs per unit will be expended or at least twenty percent (20%) of Eligible Basis, whichever is greater.

(6) **Buildings designated by OHFA to receive increase in Credit.** OHFA will allow up to one hundred thirty percent (130%) boost for reasons determined and identified in the annual AP.

(e) **Progress reports.** Progress reports must be filed by the Owner beginning with the calendar quarter following the approval of a Reservation Of Credits until the Final Allocation Application is submitted to OHFA. Due Dates are January 10, April 10, July 10 and October 10. The report must contain, at a minimum, the status of site preparation and/or construction, including the percentage of completion of each Building, and costs incurred to date. The report must address any other requirements set forth in a Resolution of the Trustees and/or the Carryover Agreement, or as OHFA may designate. Within thirty (30) calendar days after the Certificate of Occupancy is issued for each Building in the project, the Owner must submit a copy of the Certificate of Occupancy and the Placed-In-Service Acknowledgement for that Building. Remedies for violation of these provisions include those denoted at 330:36-6-3, including but not limited to return of Credits.

(f) **Construction time period**. Construction must begin within nine (9) months of the last calendar day of the month of the Credit Reservation, unless extended for cause by OHFA. Remedies for violation of these provisions include those denoted at 330:36-6-3, including but not limited to return of Credits.

(g) **Additional requirements.** OHFA may, as it deems necessary in its sole discretion, impose additional requirements or Program

limitations on any Applicant, Owner, or Development. Said requirements or limitations may be set forth in a Resolution of the Trustees, in any contract between the Applicant or Owner and OHFA, or in any other document deemed acceptable in OHFA's sole discretion.

(h) **Timeliness and completeness of filings.** Deadlines for filing Applications will be established in the AP. Should OHFA request additional information, the deadline for filing same with OHFA will be set forth in the letter requesting same. Applicants/Owners must strictly comply with all deadlines and all filings must be complete when filed.

330:36-4-3. Fees

(a) **General.** Application and TCA Fees will be used to support overall OAHTC Program delivery and operation activities. Application fees shall be calculated as follows:

(1) **Application fees.**

(A) for single site or contiguous site Developments consisting of one to four Units, the Application fee shall be $500.00;

(B) for single site or contiguous site Developments consisting of five to fifty Units, the Application fee shall be $1,000.00;

(C) for single site or contiguous site Developments consisting of fifty one to one hundred units, the Application fee shall be $2,000.00;

(D) for single site or contiguous site Developments consisting of over one hundred units, the Application fee shall be $3,000.00;

(E) for scattered sites, the Application fee shall be $500.00 per site, up to a maximum of $3,000.00.

(F) For Nonprofit Sponsored Developments the Application fee shall be $500.00.

(2) **Allocation fee.** A nonrefundable Allocation fee shall be paid in an amount equal to eleven percent (11%) of the total TCA, but in any event not less than $1,000.00. The Allocation fee is due within fourteen (14) calendar days of notification from OHFA of the approval of a TCA. A Carryover Allocation Agreement will not be executed, nor will Form 8609(s) be issued unless this fee has been received by OHFA. Nonpayment may result in revocation of Credits.

(3) **Processing fee.** A nonrefundable processing fee of one percent (1%) of the TCA must accompany the request for a Final Allocation. A service fee of $100.00 must accompany the Request for Final Allocation of Credit. Form 8609(s) will not be issued unless this fee has been received by OHFA.

(4) **Regulatory Agreement filing fee.** An executed Regulatory

Agreement must be submitted to OHFA, as part of the request for Final Allocation, and be accompanied by a check payable to the County Clerk of the county or counties in which the Development is located. The check or checks shall be in an amount sufficient to cover the filing fees of the county or counties.

(5) **Compliance monitoring fees**. In addition to the documentation required by OHFA, an annual compliance monitoring fee shall be paid to OHFA. The compliance fee is payable on or before January 28th for each year during the Compliance Period and Extended Use Period subject to annual adjustment. If the Development includes scattered sites, a compliance monitoring fee for each site shall be paid to OHFA. If the compliance fee is not paid within thirty (30) calendar days of the Due Date, then a Late Fee will be assessed. The Late Fee is equal to twenty five percent (25%) of the compliance fee. Failure to remit timely payment of compliance monitoring fees may result in the filing by OHFA of a lien against the Development. The compliance monitoring fee shall be computed as follows:

(A) For Developments financed by RHS under the Section 515 (and otherwise qualify under the Code) receiving a TCA in 2011 or before where an agreement has been entered into between OHFA and RHS wherein the RHS agrees to provide OHFA with the required information respecting the Income and rent of the tenants in the Development, the fee shall be $240.00 per Development per year, plus 12.00 per OAHTC unit per year within any Building within the Development;

(B) For single site or contiguous site Developments of four units or less, the fee shall be $275.00 per Development per year.

(C) For all other Developments including those financed by RHS under Section 515 receiving a TCA in 2012 or later the fee shall be $375.00 per Development, plus $21.00 per OAHTC unit per year within any Building within the Development.

(6) **Additional monitoring fees.** In the event of noncompliance with the Code or Regulatory Agreement or these Chapter 36 Rules requiring OHFA to conduct an examination of the Owner, any Building within the Development or any documentation to verify correction of said noncompliance, OHFA shall be reimbursed its costs by the Development or Owner for such an examination, including an hourly rate for the OHFA examiner, not to exceed $35.00 per hour, plus any and all actual travel, lodging and per diem expenses of such examiner. Such reimbursement of expenses and costs shall be paid to OHFA within ten (10) calendar days of receipt of OHFA's statement of same.

(7) **Ownership/General Partner Transfer fee.** In the event that the Owner submits a request for approval of a Transfer of Ownership/general partner of the Development or any of the

Buildings therein, a nonrefundable fee of three percent (3%) of the amount of original Tax Credit Allocation, but no less than $2,500.00, shall be imposed to cover OHFA's costs of handling the request. This fee shall accompany the request and shall be nonrefundable.

(8) **Management Transfer fees.** In the event that the Owner submits a request for approval of a Transfer of the management company of the Development, a $500.00 fee per Development shall be imposed to cover OHFA’s costs of handling the request. This fee shall accompany the request and shall be nonrefundable.

(9) **Notice costs.** All costs of copies and postage costs incurred by OHFA in connection with the notification provisions contained in these Chapter 36 Rules at 330:36-2-11, Review Report at 330:36-2-13, and any occasion when OHFA incurs extra postage costs to accommodate the Applicant, must be paid by the Owner/Applicant as prescribed in the annual AP. Failure to do so may result in the rejection of consideration of the Application.

(10) **Copies of Rules.** Copies of these Chapter 36 Rules will be provided at a cost of $10.00 per copy, but can be accessed via OHFA’s website, www.ohfa.org.

(11) **Compliance Workshops.** A cost sufficient to defray the total cost of the presentation will be charged for attendance at the Compliance Workshop.

(12) **Qualified Contract fees.** Submission deadlines for these fees will be established in the Qualified Contract Application (QCA) materials. Qualified Contract Preliminary Application (QCPA) fee shall be $1,500.00 and is nonrefundable. Additionally, the nonrefundable Qualified Contract Application fee shall be $12,500.00 plus any third party fees and expenses incurred by OHFA and not paid directly by the Applicant. Third party fees and expenses include but are not limited to appraisals for the entire property, market study, title reports, environmental reports, accountants review and reports, and legal services. This is not an all-inclusive listing. Any third party fees and expenses incurred by OHFA will be identified and Applicants will receive notice of the charge and reason.

(13) **Late fees.** The Form 8609(s) will not be issued unless these fees have been received by OHFA.

(A) **Progress reports.** Progress reports as required in 36-4-2.1 when filed late will be assessed a late fee of $10.00 per calendar day, per each late report.

(B) **Carryover Allocations.** Owners who fail to timely file all requirements in the AP as to Agreement, Application, ten percent (10%) cost Certifications, opinions and documents shall incur $100.00 late fee per calendar day.

(C) **Final Allocations.** Owners who fail to timely file all requirements in the AP as to the Regulatory Agreement, Application, cost Certifications, opinions and documents shall incur $100.00 late fee per calendar day.

(D) **Transfer Documents.** Owners who fail to timely file all requirements in regard to the Transfer of Ownership or general partnership interest (or other type of entity) may incur $25.00 late fee per calendar day.

(E) **Acknowledgment of Placed-In-Service Form.** Owners who fail to timely file an Acknowledgment of Placed-In-Service Form in accordance to timelines established in the AP shall incur $10 late fee per calendar day.

(F) **Annual Owner Certifications.** Owners who fail to file a complete Annual Owner Certification as required in 36-6-7(c)(4) within thirty (30) days of the Due Date shall incur a $50 per Development late fee per calendar day for the signed certification and a $150 per unit late fee for failure to file in the electronic format prescribed by OHFA.

SUBCHAPTER 6. PROGRAM ADMINISTRATION

330:36-6-1. Program violations and revocation.

(a) The following are violations of OAHTC Program policies and procedures and these OAHTC Program Rules:

(1) The filing of false information in an Application and/or a Development report;

(2) Failure of an Applicant or Owner, as the case may be, to satisfy any of the requirements of the Code, applicable State or federal statutes, rules or regulations, these OAHTC Program Rules, or any requirements contained in the annual AP, or any Commitments made in the Application upon which the award of a TCA was based;

(3) Breach of any of the terms, conditions, obligations, covenants, warranties, or representations of the Owner or Applicant contained in the Regulatory Agreement and/or the Carryover Allocation Agreement or the breach of any terms conditions, obligations or requirements set forth in any Resolution of the Trustees pertaining to the Applicant/Owner or the Development;

(4) Notice by OHFA to the Owner that significant corrective actions are necessary to protect the integrity of the Development and that such corrective actions have not been, or cannot be, effected within a reasonable time, in the judgment of OHFA staff;

(5) An administrative or judicial determination that the Applicant or Owner has committed fraud, waste, or

mismanagement in any current or prior State or federally funded project;

(6) The housing of a person(s) convicted of a felony or engaged in any illegal or criminal activities as set forth in this subsection, if the Owner, or managers of the Development, or any of their Affiliates, have knowledge of or about, or by reasonable inquiry should have known of same. The prohibition on housing shall apply to any person who:

(A) is currently engaged in, has been convicted of using, distributing, or manufacturing methamphetamine. Housing of such person shall be prohibited for a period of ten (10)years from the date of the conviction, or end of the incarceration, whichever is most recent.

(B) is currently engaged in, has been convicted of Violent Criminal Activity or Drug Related Criminal Activity. Housing of such person shall be prohibited for a period of three (3) years from the date of the conviction, or end of the incarceration, whichever is most recent.

(C) has been convicted of any other felonious activities other than Drug Related Criminal Activity or Violent Criminal Activity. Housing of such person shall be prohibited for a period of three (3) years from the date of the conviction or end of the incarceration, whichever is most recent.

(D) is subject to a lifetime registration requirement under a Federal or State sex offender registration program.

(E) is a sex offender, not subject to lifetime registration. Housing of such person shall be prohibited for a period of ten (10) years from the date of the arrest, conviction, or end of incarceration (whichever is later) or the period of required registration as a sex offender, whichever is greater.

(7) The prohibition on the housing of a convicted felon shall not apply to qualified tenants of Transitional Housing, except that the housing of a person in any Transitional Housing shall be prohibited if said person:

(A) is subject to a lifetime registration requirement under a Federal or State sex offender registration program, or

(B) is currently engaged in or has been convicted of a violent felony in the last three (3) years.

(8) From and after the date of the filing of the Application, failure to notify OHFA of any material changes effecting the proposed Development, including, but not limited to, modifications to any representations contained in the Application, any amendments or modifications of the financing plan, syndicators or equity partners or any other Threshold requirement and/or changes in Development Team Members, contractors, property managers, and the like. Notification

must be filed with OHFA not less than sixty (60) calendar days prior to the proposed change. Approval by the Trustees is required for any changes or amendments involving the ownership or Control of the Development or the Owner after the Application is filed. This would include, but not be limited to, changes or Transfers of the Development, changes or modifications of the ownership or composition of the general partner entity (i.e. addition or removal of members, partners, stockholders, etc.), any addition, substitution, withdrawal or removal of any general partner. Other amendments may be handled administratively by staff, although staff reserves the right to refer any amendments to the Trustees for their consideration; or

(9) Failure to submit reports including but not limited to the timely filing of progress reports, updates, compliance reports, etc., and failure to provide OHFA with any additional information requested by OHFA within the period set forth in any request for information. Failure to pay fees when due. If payment is returned for insufficient funds, it will be deemed nonpayment and the amount to defray bank costs will be due.

(10) Little or no progress has been achieved with previous Tax Credit Reservations approved for the Applicant or Developer or any of the Principals of either. This would include, but not be limited to: failure to meet the minimum Carryover Allocation requirements resulting in the return of Credits; failure to have all Buildings Placed-In-Service no later than the close of the second calendar year following the calendar year in which the Allocation is made; or involvement of a foreclosure or deed-in-lieu of foreclosure within the past seven (7) years.

(b) Failure to follow all required procedures throughout the Allocation process could jeopardize the final Allocation or result in housing Credits being revoked.

330:36-6-3. Corrective and remedial actions

(a) Upon a determination by OHFA staff that a violation has occurred during the Application stages or prior to the filing of the Regulatory Agreement, OHFA may take any one or more of the following actions when the cited violations are not corrected in a timely manner:

(1) Condition Regulatory Agreements;

(2) Withhold Allocations of tax Credits;

(3) Reduce the total amount of the tax Credit award;

(4) Require the return of unused tax Credits;

(5) Deny future program Applications and participation for a specified period of time as determined by OHFA;

(6) Indefinitely suspend from program participation;

(7) File an action for specific performance; and/or

(8) Notify the IRS.

(b) Additionally, OHFA shall have the right, upon discovery of facts or statements indicating possible program violations by an Applicant or Owner in regard to a Development, or a proposed Development or a pending Application, or a pending TCA, to request and obtain information regarding:

(1) The administrative, planning, budgeting, management and evaluation functions, actions being taken to correct or remove the cause of the program violation(s);

(2) Any activities by an Applicant and/or Owner, or by an Affiliate of either of them that are, or might be in violation or breach of the Commitments made in the Application or that are, or might be, in violation of applicable laws, these Rules, the annual AP, and/or the applicable Carryover Agreement and/or the applicable Regulatory Agreement;

(3) The ability of the Applicant and/or Owner to fulfill the Commitments made to OHFA in the Application and/or the applicable Carryover Agreement and/or the applicable Regulatory Agreement, in a timely manner; and

(4) Progress schedules for completing and/or performing the Commitments made to OHFA in the Application and/or the applicable Carryover Agreement and/or the Regulatory Agreement in a timely manner.

(c) Prior to OHFA taking any corrective and/or remedial actions, OHFA, may, in its sole discretion, issue a notice of a show cause hearing. The Applicant and/or Owner shall have thirty (30) business days to appear and show cause as to why corrective and/or remedial actions should not be taken. This language shall not be construed as a limitation on the compliance monitoring and reporting requirements of the Code and these Chapter 36 Rules.

330:36-6-5. Applicant and/or Owner responsibilities

(a) An Applicant and/or Owner under the OAHTC Program shall be responsible for:

(1) Taking all action necessary to enforce the terms of the Regulatory Agreement against any private or public Owner that fails to comply with applicable provisions of the Regulatory Agreement or any subcontract or documents resulting from it, and to recover on behalf of OHFA, all costs and expenses incurred by or on behalf of OHFA. Nothing in this subsection shall restrict OHFA's right to independently enforce the terms of the Commitments made to OHFA in the Application and/or the Regulatory Agreement or in any subcontracts or documents resulting from either of them, or to recover any sums that may become due to OHFA as the result of a breach of any of the Commitments made to OHFA in the Application and/or the Regulatory Agreement, or in any such subcontracts or documents.

(2) Complying with all applicable provisions of the Code, State and federal regulations, guidelines, circulars, rulings and notices, these Rules, the annual AP, the Application, the Regulatory Agreement between the Applicant and/or Owner, and/or in any subcontracts or documents resulting from either of them, and OHFA or other Program requirements that may be released by the Internal Revenue Service or OHFA from time to time.

(3) Maintaining records and accounts, including, but not limited to, property, personnel, financial and tenant records that properly document and account for all Development funds and compliance with the tenant Income Certification requirements of the Code, these Rules, the annual AP, and the application and the Regulatory Agreement. All records required by the Code or 26 CFR1.42-5, as presently effective or as may be amended in the future, must be kept and retained by the Owner. Additional requirements of OHFA respecting said records may be included in the Regulatory Agreement. OHFA may require specific types and forms of records. All such records and accounts shall be made available upon request by OHFA for the purpose of inspection and use in carrying out its responsibilities for administration of the tax Credits.

(4) Retaining all books, documents, papers, records, and other materials involving all activities and transactions related to the Owner's Commitments to OHFA found in the Application and in the Regulatory Agreement, as required by the Code, State and federal regulations, the AP, the Application and the Regulatory Agreement.

(b) OHFA may require the Applicant and/or Owner to provide special narrative and financial reports related to the elements of a written agreement in the forms and at such times as may be necessary or required by OHFA.

(c) OHFA shall have the right to perform as many audits and/or compliance inspections of any Development, from time to time, in the complete discretion of OHFA, as OHFA deems necessary or appropriate to discharge its compliance duties to the IRS in regard to each Development for which TCAs have been awarded, at least through the end of the Compliance Period and Extended Use Period of the Buildings and units in the Development. Audits and compliance inspections may include physical inspection of any Building in the Development, as well as a review of the records described in this subchapter. The cost of any such audit shall be borne by the Applicant and/or Owner. The audit and inspection provisions of this subsection are in addition to any inspection of OAHTC Certifications, supporting documentation, or inspection of records performed pursuant to annual compliance review.

330:36-6-7. OHFA monitoring procedures

(a) **General.** Section 42(m)(1)(B)(iii) of the Code mandates that state housing Credit agencies monitor all Placed-In-Service tax Credit projects for compliance with the provisions of Section 42. The Code also mandates that the Internal Revenue Service be notified, by the state housing agencies, of any instances of noncompliance, this includes failure to comply with the Code and federal regulations and these Chapter 36 Rules, as well as failure to pay all compliance fees in a timely manner. OHFA will also monitor for compliance with the Regulatory Agreement provisions which contain additional Owner Commitments made to secure points in the project selection process, e.g. additional Low-Income Units or an Extended Use Period. OHFA has assembled and will make available to the Development Owners, a Compliance Manual explaining the OAHTC monitoring process in detail. An Owner representative and a management agent representative will be required to successfully complete a compliance training session conducted by OHFA or approved by OHFA and submit proof thereof with the first Quarterly report. OHFA will monitor the documents and Certifications set forth in 330:36-6-7(b) and (c) for compliance with the Code.

(b) **Record keeping and record retention provisions**.

(1) The Owner of a low-income housing project is required to keep records for each qualified low-income Building in the project showing:

(A) The total number of residential units in the Building (including the number of bedrooms and the size in square feet of each residential rental unit);

(B) The percentage of residential rental units in the Building that are Low-Income Units;

(C) The rents charged on each residential rental unit in the Building (including any utility allowances);

(D) The number of occupants in each Low-Income Unit;

(E) The Low-Income Unit vacancies in the Building and information that shows when, and to whom the next available units were rented;

(F) The initial Income Certification of each low-income tenant per unit, and any additional recertification that may be required;

(G) Documentation to support each low-income tenant's Income Certification;

(H) The Eligible Basis and qualified basis of the Building at the end of the first year of the Credit period;

(I) The character and use of the nonresidential portion of the Building included in the Building’s Eligible Basis under Section 42(d) of the Code (e.g. tenant facilities that are available on a comparable basis to all tenants and for which no separate fee is charged for use of the facilities, or

facilities reasonably required by the project); and

(J) Copies of all correspondence with the IRS.

(2) The Owner is required to retain the records described in this section for each Building in the project for at least six (6) years after the Due Date (with extensions) for filing the federal income tax return for that year. The records for the first year of the Credit period must be retained for at least six (6) years beyond the Due Date (with extensions) for filing the federal income tax return for the last year of the Compliance Period of the Building.

(c) **Certification and review provisions.**

(1) Between the Placed-In-Service date of a Building and the submission of an Application for a final Allocation of Credits, and prior to the issuance of an 8609, OHFA may physically inspect the property. An on-site review will again be conducted within the following year as described in 330:36-6-7 (c)(6) of these Rules.

(2) In accordance with Section 42(l)(1), following the close of the first taxable year in the Credit period, the Owner must certify to the Secretary of the Treasury:

(i) the taxable year in which such Building was Placed-In-Service,

(ii) the adjusted basis and Eligible Basis as of the close of the first year of the Credit period,

(iii) the maximum applicable percentage and qualified basis, and

(iv) the election made for the low-income targeting threshold.

(v) This Certification is accomplished by completing Part II of the 8609(s). A copy of the completed 8609(s) must also be submitted to OHFA. The Due Date for submission is May 10, or as extended by The Service or Staff, of the year due to The Service for the first Credit year.

(3) Owners must prepare and submit a quarterly report beginning with the first full calendar quarter after the last Building is Placed-In-Service, and for the subsequent three quarters. This report must be accompanied by copies of the Tenant Income Certifications for each tenant and new move-ins for the appropriate quarter. If a project is determined not to be in compliance with Program requirements or there is indication of possible noncompliance, OHFA, at its discretion, may require reports each quarter until compliance is demonstrated.

(4) The Owner of a low-income housing project is required to certify annually, in a form prescribed by OHFA, that for the preceding 12-month period:

(A) The project met the requirements of the 20-50 or 40-60 test under Section 42(g)(I) of the Code, whichever Minimum

set-aside is applicable to the project, and, if applicable to the project, the 15-40 test under Section 42(g)(4) for "deep rent skewed" projects;
(B) There was no change in the Applicable Fraction (as defined in Section 42(c)(1)(B))of any Building in the project, or that there was a change and a description of the change;
(C) The Owner has received an Income Certification from each low-income tenant and documentation to support that Certification;
(D) Each Low-Income Unit in the project was Rent-Restricted under Section 42(g)(2);
(E) All units in the project were for use by the general public and used on a nontransient basis (except for Transitional Housing for the Homeless);
(F) Each Building in the project was suitable for occupancy, taking into account local health, safety, and building codes (or other habitability standards), and the State or local government unit responsible for making building code inspections did not issue a report of a violation for any Building or Low-Income Unit in the project;
(G) There was no change in the Eligible Basis (as defined in Section 42(d)) of any Building in the project, or that there was a change, and the nature of that change;
(H) All tenant facilities included in the Eligible Basis under Section 42(d) of any Building in the project, such as swimming pool, other recreational facilities, and parking areas, were provided on a comparable basis without charge to all tenants in the Building;
(I) If a Low-Income Unit in the project became vacant during the year, reasonable attempts were, or are being made to rent that unit or the next available unit of comparable or smaller size to tenants having a qualifying Income before any units in the project were, or will be rented to tenants not having a qualifying Income;
(J) If the Income of the tenant of a Low-Income Unit in the project increased above the limit allowed in Section 42(g)(2)(D)(ii), the next available unit of comparable or smaller size in the project was, or will be, rented to tenants having a qualifying Income;
(K) An extended Low-Income Housing Commitment, as described in Section 42 (h)(6), was in effect;
(L) The project meets the additional requirements contained in the Regulatory Agreements;
(M) There was no change in the Owner entity (for example, Transfer of general partnership interest);
(N) If the Owner received its Credit Allocation from a

portion of the State's ceiling set-aside for projects involving "qualified Nonprofit organizations" under Section 42(h)(5) of the Code, the Nonprofit organization has materially participated in the operation of the Development (within the meaning of CFR § 1.469)and complete the Nonprofit Addendum or other form prescribed by OHFA;

(O) No finding of discrimination under the Fair Housing Act, 42 U.S.C. 3601-3619, has occurred for this project. A finding of discrimination includes an adverse final decision by a substantially equivalent state or local fair housing agency, 42 U.S.C. 361a(a)(1), or an adverse judgment from federal court; and

(P) An extended Low-Income Housing Commitment as described in Section 42(h)(6) was in effect, that an Owner cannot refuse to lease a unit in a project to an applicant because the applicant holds a voucher or certificate of eligibility under Section 8 of the United States Housing Act of 1937, 42 U.S.C. 1437s.

(Q) Collect data required by HUD in a form prescribed by OHFA. In no way will the data collection be in violation of Fair Housing.

(5) OHFA will review the Owner Certifications submitted pursuant to 330:36-6-7(c)(4), for compliance with the requirements of Section 42 of the Code.

(6) OHFA must and will conduct on-site inspections of all Buildings in the project by the end of the second calendar year following the year the last Building in the project is Placed-In-Service, and for at least twenty (20) percent of the project's Low-Income Units, inspect the units and review the low-income Certifications, the documentation supporting the Certifications, and the rent records for the tenants in those units.

(7) At least once every three (3) years through the Extended Use Period, OHFA must conduct on-site inspections of all Buildings in the project and, for at least twenty percent (20%) of the project's Low-Income Units, inspect the units and review the low-income Certifications, the documentation supporting the Certifications, and the rent records for the tenants in those units.

(8) The Certifications and reviews of paragraphs 330:36-6-7(c)(2) and (c)(4) of these Chapter 36 Rules are required to be made at least annually until the end of the Extended Use Period, and the Certifications are to be made under penalty of perjury.

(9) The Owner is required to provide to OHFA, for the first Credit year, a copy of the completed Part II 8609, 8609 Schedule A and Form 8586 that is submitted to the Internal

Revenue Service.

(10) The Owner is required to provide to OHFA, as it occurs, copies of all correspondence with the Internal Revenue Service.

(d) **Auditing/compliance provisions.** OHFA has the right to perform an audit and/or compliance inspection of any low-income housing project during the term of the Regulatory Agreement. An audit/compliance inspection includes physical inspection of any Building in the project, as well as a review of the records described in 330:36-6-7(c)(1) of these Chapter 36 Rules. The auditing/compliance inspection provisions of this paragraph is in addition to any inspection of low-income Certifications and documentation under 330:36-6-7(c)(7)of this Chapter 36 Rules.

(e) **Notification of noncompliance provisions.**

(1) OHFA will provide prompt written notice to the Owner of a low-income housing project if OHFA does not receive the Certification described in 330:36-6-7(c)(4) of these Chapter 36, or does not receive, or is not permitted to inspect, the tenant Income Certification supporting documentation and rent records, or discovers on audit, inspection review, or in some other manner, that the project is not in compliance with the Code or these Chapter 36 rules. The Owner shall have a period of time, not to exceed thirty (30) calendar days, from the date of such notice (the "correction period") to supply any missing Certifications and bring the project into compliance. OHFA may extend, in its own discretion, the correction period for up to an additional thirty (30) calendar days for good cause.

(2) OHFA must file IRS Form 8823 Report of Noncompliance with the Internal Revenue Service no later than forty-five (45) calendar days after the end of the correction period whether or not the noncompliance or failure to certify is corrected. OHFA will explain on Form 8823 the nature of the noncompliance or failure to certify and indicate whether the Owner has corrected the noncompliance or failure to certify. Any change in either the Applicable Fraction or Eligible Basis that results in a decrease in the qualified basis of the project under Section 42(c)(1)(A) is an event of noncompliance that must be reported under this paragraph.

SUBCHAPTER 8. QUALIFIED CONTRACT

330:36-8-1. Purpose.

Pursuant to 42(h)(6) of the Code, after the end of the 14th year of the Compliance Period, the Owner of a LIHTC Development can request OHFA as the allocating agency to find a buyer at the Qualified Contract Price (QCP). If a buyer cannot be located within one year, the Extended Use Commitment will terminate. This process provides the procedures for the submittal and

review of the Qualified Contract requests.

330:36-8-2. [RESERVED]

330:36-8-3. Authority.

In the Omnibus Budget Reconciliation Act of 1989 (1989 Act), Congress modified the LIHTC Program by creating an Extended Use Period which lengthened the affordability period of Credit Developments from 15 years to 30 years. However, the 1989 Act also provided an option for Owners to exit the LIHTC Program at the end of the 15-year Compliance Period by requesting that the state allocating agency either purchase the Development or assign the agency's purchase right to another entity for a formula price pursuant to a "Qualified Contract".

330:36-8-4. [RESERVED]

330:36-8-5. Policies and Procedures

(a) LIHTC Developments that received an Allocation of Credits in 1990 or subsequent years are eligible to submit a Qualified Contract Preliminary Application (QCPA) after the end of year 14 of the Compliance Period. This is available unless the Owner voluntarily waives the right to a Qualified Contract in the Application.

(b) OHFA will develop a Qualified Contract Application (QCA) process to administer requests from eligible Owners for a Qualified Contract pursuant to Code Section 42(h)(6)(E)(i)(II).

(c) In keeping with the clear purpose of IRS Code Section 42, OHFA will resolve every case of doubt or interpretation in determining the Qualified Contract Price (QCP), both with regard to the overall process and for particular properties, in favor of a lower value.

330:36-8-6. [RESERVED]

330:36-8-7. Eligibility

(a) In determining the eligibility of a Development with multiple Allocations or Credit periods, OHFA will only consider the last Allocation. Owners may not submit a QCPA or QCA until after the 14th year of the Compliance Period:

(1) for the last Building Placed-In-Service (Developments with Buildings that were Placed-In-Service in different years), or

(2) for the last Allocation to the Development or any Building therein (Developments with multiple Allocations).

(b) OHFA will not consider a QCA until the Owner secures a complete, unconditional waiver of all purchase options,

including a Nonprofit general partner's right of first refusal.
(c) Properties that do not meet the basic physical compliance standards that are (or would be) necessary to claim some or all of the Allocation are ineligible for consideration. Owners must correct all such compliance issues or violations prior to submitting a QCA.

330:36-8-8. [RESERVED]

330:36-8-9. Three-year Period
(a) If OHFA fails to present a Qualified Contract (QC) before the expiration of the 1YP as described herein, the Development will remain subject to the Three-Year Period requirements of Code Section 42(h)(6)(E)(ii).
(b) The Three-Year Period will commence with the recording of a Release of the Regulatory Agreement.
(c) During the Three-Year Period the Owner may not evict or terminate a tenancy of an existing tenant of any Low-Income Unit except for good cause. During the Three-Year Period the Owner may not increase the Gross Rent with respect to any Low-Income Unit except as permitted under Section 42 of the Code.

330:36-8-10. [RESERVED]

330:36-8-11. Qualified Contract
(a) Under IRC §42(h)(6)(E)(i)(II), OHFA's only obligation is to present to the Owner a bona fide Qualified Contract to acquire the Development for the Qualified Contract Price. There is no requirement in the IRS Code that the prospective buyer actually purchase the Development. Whether or not the Owner and the prospective buyer execute a contract and close the transaction is beyond the responsibilities and control of OHFA.
(b) Presentation of a Qualified Contract by OHFA terminates any future possibility of terminating the Extended Use Period set forth in the Regulatory Agreement whether or not the Qualified Contract is executed and the transaction closed.

SUBCHAPTER 9. RESERVED

SUBCHAPTER 10. CREDIT ASSISTANCE/STIMULUS LEGISLATION

330:36-10-1. Purpose.
The purpose of this Subchapter is to outline OHFA's procedures for implementing new funding resources specifically identified for use in connection with the OAHTC Program. The American

Recovery and Reinvestment Act (ARRA), enacted on February 17, 2009 provides new federal stimulus programs for eligible Owners of Credit Developments. The purpose of this Subchapter is to outline OHFA's procedures for implementing the stimulus programs of the ARRA and future programs which may be authorized and funded federally or at the State level.

330:36-10-2. [RESERVED]

330:36-10-3. Authority.

OHFA has been designated as the State's housing credit agency responsible for the Allocation of Credits made available to the State. This authority provides that OHFA shall administer any funding resources directed to the OATHC Program. Both the "Tax Credits: Exchange" and the "Tax Credit Assistance Program (TCAP)" sections of ARRA provide that these funds shall be administered by the "State Housing Credit Agency".

330:36-10-4. [RESERVED]

330:36-10-5. Definitions.

Reference is made to 330:36-1-4 and the Section 42 of the Code for any words or terms used in this Subchapter.

330:36-10-6. [RESERVED]

330:36-10-7. Tax Credits: Exchange.

(a) The ARRA provides that OHFA has the option of exchanging certain Credit Allocations to the State for a cash payment to OHFA. The cash payment received by OHFA may be used by OHFA to make ARRA sub-awards to selected Applicants who qualify under the QAP for a Credit Reservation and Allocation.

(b) OHFA shall develop an Application process for applying for ARRA funds. The Application process will be consistent with the QAP and Section 42 of the Code and any regulations provided by Treasury as to the use of the funds made available under ARRA for sub-awards.

(c) At the time of the Application for an ARRA sub-award, the Applicant must demonstrate a good faith effort to obtain investment commitments for Credits previously allocated to the Owner.

(d) The Owner of the Buildings(s) identified in the Carryover Allocation Agreement and/or Regulatory Agreement receiving an ARRA sub-award must maintain said Building(s) as Qualified Low-Income Building(s) during the Development Compliance Period. Failure to maintain the Building(s) as Qualified Low-Income Building(s) shall result in the recapture of the ARRA sub-award.

(e) Recipients of ARRA sub-awards will be required to enter into such agreements and documentation as OHFA, in its sole discretion, deems necessary to ensure that the provisions of any requirements of the U.S. Department of the Treasury, these Chapter 36 Rules, the Code, any relevant rules, regulations, rulings or other guidance issued by the IRS and terms of the ARRA sub-award are met throughout the Development Compliance Period. Required agreements and documentation may include without limitation, loan documentation, an amended Carryover Allocation Agreement and/or Regulatory Agreement and Owner guarantees.

330:36-10-8. [RESERVED]

330:36-10-9. Tax Credit Assistance Program (TCAP).

(a) The ARRA provides funds through the HOME Investment Partnership Program (the "HOME Program") for awards to certain Owners of Credit Developments. These funds have been designated Tax Credit Assistance Program (TCAP) by HUD.

(b) OHFA will develop an Application process for awarding TCAP funds to eligible Credit Development Owners. The Application process will be consistent with the QAP and Section 42 of the Code and any regulations provided by Treasury or HUD as to the use of funds made available under the ARRA for awards.

(c) The Application for the TCAP funds will include a competitive component. Evaluation Criteria will be developed, but will include, without limitation, a priority for Developments expected to be completed and Placed-In-Service by February 17, 2012.

(d) Any Owner failing to expend awarded TCAP funds within the time period specified in the TCAP Award Agreement between the Owner and OHFA shall return the funds to OHFA for redistribution.

(e) Recipients of ARRA TCAP funds will be required to enter into such agreements and documentation as OHFA, in its sole discretion, deems necessary to ensure that the provisions of any requirements of the U.S. Department of the Treasury, HUD, these Chapter 36 Rules, the Code, any relevant rules, regulations, rulings or other guidance issued by the IRS and terms of the ARRA TCAP are met throughout the Development Compliance Period. Required agreements and documentation may include, without limitation, loan documentation, an amended Carryover Allocation Agreement and/or Regulatory Agreement and Owner guarantees.

330:36-10-10. [RESERVED]

330:36-10-11. Asset Management.

(a) OHFA shall perform asset management functions to ensure compliance with section 42 of the Code and the continued long term viability of Building(s) funded by either form of assistance identified in this Subchapter. OHFA may sub-contract this function to another entity (ies).
(b) Any Building(s) receiving funds pursuant to the Grant Program of the TCAP shall be subject to all restrictions and regulations of the OAHTC Program, Section 42 of the Code and, as applicable, the HOME Program.

330:36-10-12. [RESERVED]

330:36-10-13. Fees.
(a) Fees will be calculated based on original Tax Credit award and shall comply with Subchapter 4, Section 4-3. All Fees as set out in these Chapter 36 Rules will be due and payable at such times as OHFA instructs Applicants.
(b) An annual Asset Management Fee shall be due and payable at such times as OHFA instructs Applicants for each year of the Development Compliance Period. The Fee shall be subject to Oklahoma Department of Central Services Central Purchasing guidelines.

330:36-10-14. [RESERVED]

330-36-10-15. Other Enactments of Law.
In the event additional federal or State assistance/stimulus programs benefiting the OAHTC Program become available to the State through OHFA, OHFA shall immediately implement such procedures as OHFA deems necessary, in its sole discretion, to access these funds for the purpose of Allocating, granting, awarding, etc. to Qualified Owners of Tax Credit Developments. The process developed for the current economic stimulus programs available and future enactments of law will be consistent with the goals of the Qualified Allocation Plan (QAP), the Chapter 36 Rules, Section 42 of the Code and any relevant rules, regulations, rulings or other guidance issued by the IRS and, as relevant the regulations of the HOME Program and guidance from HUD. The Application process and procedures developed will be reviewed annually by OHFA through normal procedures.

OAHTC COMPLIANCE MANUAL OVERVIEW

The procedures outlined in this manual are guidelines for helping owners ensure that LIHTC developments remain in compliance with the Internal Revenue Code (the "Code"), the Regulatory Agreement, the Chapter 36 Rules and other applicable regulations for the duration of the compliance period.

This manual describes how to meet LIHTC requirements, but it is **not** an operations manual. It will provide instructions on determining eligibility of families for occupancy, the maximum rents that can be charged, record-keeping procedures, occupancy rules, provisions for auditing development files, certifications and other forms required for compliance reviews.

All developments participating in the Oklahoma Affordable Housing Tax Credit Program are subject to compliance monitoring with the rules and regulations of the Code and all other applicable regulations.

Questions regarding Tax Credit compliance issues may be directed to:

Oklahoma Housing Finance Agency
LIHTC Compliance Manual
100 NW 63rd, Suite 200
Oklahoma City, OK 73116
(405) 419-8131 or (405) 419-8272
Attn: Tax Credit Compliance Department

OHFA is committed to helping owners of LIHTC developments understand and meet their responsibilities under the program. This manual is an example of that commitment. OHFA will offer periodic training explaining key components of the program. However, **a development's compliance with the LIHTC regulations and requirements, as well as state and local law, is solely the owner's responsibility.**

THE LOW-INCOME HOUSING TAX CREDIT PROGRAM

In 1986, Congress created the Low Income Housing Tax Credit (LIHTC) Program as part of the Tax Reform Act of 1986. The LIHTC Program provides an incentive for developers and investors -- credits reducing their tax liability -- in qualified low-income housing that has been acquired, constructed or rehabilitated since 1986.

The credits are allocated by the Federal government to the individual states based upon population. In return, the states are required to review the applications from developers in accordance with state-set objectives and goals. The tax credits are allocated to developments which best meet these goals and objectives. In exchange for the tax credits, the developer must agree to rent the units to households whose income is at or below 50% or 60% of the median area income and follow certain leasing rules and guidelines. Failure to follow the regulations can result in the loss or recapture of credits.

The compliance period is established in the Regulatory Agreement, which is recorded on the property deed. *The compliance period for tax credit developments placed in service prior to January 1, 1990, is 15 years. For tax credit developments placed in service on or after January 1, 1990, the compliance period is 15 years, with an additional extended use period of 15 years for a total of 30 years, unless otherwise specified in applicable governing documentation. Section 42(h)(6)(D) of the Code details the specific instances where such documentation may be broken.

*IRC 42(h)(6)(A); Revenue Ruling 92-79

KEY PROGRAM DOCUMENTS

The fundamental rules of the LIHTC program appear in Section 42 of the Federal Internal Revenue Code, Treasury Regulations regarding Final regulations, and the Oklahoma Housing Finance Agency's Chapter 36 Rules. It is necessary for the owners to familiarize themselves with these two documents in order to understand their responsibilities under the program.

Effective on January 1, 2001, the new Compliance Monitoring Regulations took effect for state housing agencies. Included in this Manual is a copy of those regulations along with the National Council of State Housing Agencies (NCSHA) Recommended Practices in Compliance Monitoring which the Oklahoma Housing Finance Agency has adopted.

Disclaimer: *The policies, procedures and forms included in this manual have not been reviewed or approved by the Internal Revenue Service and should not be relied upon for interpretation of legislation or regulations. OHFA makes no representation that complying with these procedures will satisfy all Internal Revenue Service requirements. As always, the ultimate responsibility for compliance in the LIHTC Program is with the Owners.*

2008 REVISION LIST
Housing Tax Credit Compliance Manual

Revised July 2008:

Chapter 1: The Rules, Requirements, and Resources:

a. Chapter 36 Rules: Added the OHFA Chapter 36 Rules effective 1-1-08 are also effective for 2009

Chapter 2: OHFAôs Responsibilities:

a. Added information needed regarding the non-profit upon arrival of inspection

Chapter 3: Ownerôs Responsibilities:

a. Reports / Added a qtly or annual report must be in the office by or before the due date and not just post marked by the due date.
b. Annual Owner Certification / An addendum has been added to the Annual Owner Certification that must be completed by the non-profit, if applicable.
c. Employee Units / Added that rent can not be charged for an employee unit
d. Homeless Units / Added homeless language
e. Supportive Services and Programs/ Added language to clarify offering vs providing
f. Special Needs Units / Added entire paragraph

Chapter 4: Rent Restrictions and Lease Requirements:

a. Rental Application Fees / Added clarification language
b. Utility Allowances / Added language prohibiting a third party billing system

Chapter 5: Determining Tenant Eligibility:

a. Evaluate Annual Income / Added clarification language
b. Student Households / Listed the definition of full time student and added the language to the exception for single parents and their children being dependant of no one else other than a parent
c. Section 8 Voucher Holders / Added language effective 10-01-08 the PHA statement will be accepted only at recertification

Appendix A: 2008 income / rent limits effective 2-13-08 (revised hard copy only, web was updated in February 2008)

Appendix B: PHA utility charts will be revised effective 10-1-08; www.ohfa.org

Appendix C: Deleted the sample rental and recertification application and moved the Tenant Release and Consent form to Appendix C from Appendix D

Appendix I: Annual Owner Certification / added addendum regarding non-profit

ADDENDUM
to the OHFA 2008 Tax Credit Compliance Manual
September 2008

The Oklahoma Housing Finance Agency has made the following revisions of its Tax Credit Compliance policy after passage of The Housing and Economic Recovery Act of 2008 (the Act) , and The IRS Final Housing Credit Utility Allowance Regulations.

Student Exclusion

(This will be updated in Chapter 5, step 1 and Appendix E/ Cert of Student Eligibility)

- **Effective 7-30-2008, full-time students who previously received foster care assistance are now eligible to reside in housing credit units.** This is a new exception added to the full-time student rule. The household will be exempt from the student rule if all household members are full-time students, and such students were recipients of foster care assistance or the household members meet another exception.

Income Exclusion

(This will be updated in Chapter 5, Income Exclusions)

- **Effective 7-30-2008 and until 1-1-2012, military employees' basic allowance for housing will be excluded from the definition of annual income if they are housed in a building located in a county with a military base that had its population grow by 20 percent or more between December 31, 2005 and June 1, 2008, or any county adjacent to such a county.** Applies to new and existing 9 percent credit buildings for determinations made after date of enactment and before January 1, 2012.

Recertifications

(This will be updated in Chapter 5, Annual Recertification, an added to Appendix C / Annual Questionnaire, and Appendix J / Unit Data Sheet)

- **Effective 1-1-2009, the annual recertification requirement will be eliminated for 100% tax credit projects.** This provision waives the annual recertification requirement under the low-income housing tax credit regulation. This rule will not apply to mixed income properties with tax credit buildings mixed with market buildings. The properties in which this provision will apply will be required to obtain annually from each household answers to a questionnaire regarding student status, felony status and certain demographic data required by the Act. (See HUD Demographic Data Collection Requirement below.) This questionnaire will be Appendix C of the Tax Credit Compliance Manual.

Area Median Gross Income in Non-metropolitan Areas

(This will be updated in Chapter 5, Step 2 and added to Appendix A)

- **Effective 7-30-2008, all nine percent Rural projects are now able to use the greater of the area median gross income or the National Non-metropolitan**

median gross income. This rule does not apply to tax-exempt financed properties or properties located in metropolitan statistical areas. To determine if an area is qualified as rural, using the USDAôs determination of rural, go to the website at http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do?pageAct . The 2008 National Non-metropolitan median income is $49,300. The limits calculate as follows:

2008 National Non-metropolitan Limits

Median Income		Number of persons in the household 1	2	3	4	5	6	7	8
49,300	**50%**	17,250	19,700	22,200	24,650	26,600	28,600	30,550	32,550
	60%	20,700	23,640	26,640	29,580	31,920	34,320	36,660	39,060

Maximum Rent for Bedroom Size

	Eff	1	2	3	4
50%	431	461	555	640	715
60%	517	554	666	768	858

HUD Demographic Data Collection Requirement

(This will be updated in Chapter 3, owner reports and an added Appendix C / Annual Questionnaire)

- **Effective 2009, OHFA is required to obtain tenant data and report to HUD annually.** Specifically the information required includes tenant race, ethnicity, family composition, age, income, use of rental assistance or other similar assistance, disability status and amount of monthly rental payments. Included with this information is the documentation of the householdsô full-time student status and felony status.

Utility Allowances

(This will be updated in Chapter 4, utility allowances)

- **Effective 7-29-2008, additional options have been added to determine more accurate utility allowances (UA) for housing credit properties.** There are now four options from which to choose: PHA, Actual, HUD Utility Schedule Model, or an Energy Consumption Model. The building owner is not required to review the UAôs or implement new UAôs, until the building has achieved 90% occupancy for a period of 90 consecutive days or the end of the first credit year, whichever is earlier. The final regulations neither prohibit using different options for different utilities nor prohibit changing the options used for calculating utilities. A building owner must review, at least once during the calendar year, the basis on which utility allowances have been established and must update the applicable UAs. **OHFA must approve any Utility Allowance used.**

2009 REVISION LIST
Housing Tax Credit Compliance Manual

Revised August 2009:

Chapter 1: The Rules, Requirements, and Resources:

a. Inserted revised IRC Section 42 ñThe Codeò
b. Chapter 36 Rules: Added the OHFA Chapter 36 Rules effective 7-14-09 and effective 1-1-2010.

Chapter 2: OHFAôs Responsibilities:

a. Added information to interior inspection
b. Added that effective 2010 OHFA wants unit data sheet and the rent roll upon inspection
c. Added information to most common non-compliance

Chapter 3: Ownerôs Responsibilities:

a. Reports / Added effective 2010, OHFA must have original signatures on all reports.
b. Reports / Added effective 2010, a report or fee will be considered late if it is not in the OHFA office on or before the due date. OHFA will accept emailed or faxed reports on the due date but the original copy must also be postmarked on the due date.
c. Quarterly Owner Certification / Added that owners will be required the report quarterly for four quarters and until owner set-aside has been met.
d. Annual Owner Certification / HUD is now requiring data collection of certain household information. To date of this publication HUD has given no formal guidance as to how they want this data reported.
e. Unit Data Sheet / Added that the effective date does not apply to sites that are 100% tax credit. OHFA will not monitor column H-K on the UDS.
f. Changes in Family Size / Obtain the new household memberôs information on an application (i.e. felony and student status) along with any verification applicable. If the new memberôs income added to the existing household exceeds the income limit, you may still allow the additional members to move in. However, if all of the original members ever move out, the new members are no longer qualified.
g. Transfers / Added clarification language, please read.

Chapter 4: Rent Restrictions and Lease Requirements:

a. Rents for Units Receiving Tenant-Based Assistance / A residentôs portion of a rent payment for both Section 8 and RD subsidies may exceed the tax credit limit.
b. Changes Affecting Allowable Rents for TC Units - Annual Revision to LIHTC Rent Limits / Added language regarding the HUD hold harmless policy and NNMGI.
c. Utility Allowances / Deleted that sub-metering is not allowed.
   Deleted exhibit 4-1.
d. Utility Allowance / Added utility allowance estimate options

Chapter 5: Determining Tenant Eligibility:

a. Determine Household Eligibility / Foster children & adults are considered household members and income should be counted.
b. Evaluate Annual Income / Changed definition of income
c. Evaluate Annual Income / Added HUD 4350.3 website for reference
d. Income Inclusions / Changed student financial assistance for Section 8 only, see #10.
e. Income Exclusion / Changed student financial assistance for Section 8 only. see #6.
f. Income Exclusions / Deferred veteranôs disability lump sum or monthly benefit, see # 17.
g. Student Households / Added the fifth exception regarding a foster care program.
h. Annual Recertification / Effective 1-1-2009, recertifications will no longer be required on 100% tax credit properties. If eliminating recerts, sites must obtain felony and student satus annually along with required HUD data collection.

Appendix A: 2009 income / rent limits effective 3-19-09 (revised web site May, 2009)

Appendix B: PHA utility charts effective 10-1-08; also at www.ohfa.org

Appendix E: Cert of Student Eligibility ï added option C (updated Oct 2008)

Appendix G: Tenant Income Certification ï added #5 to part VII / Student Status (updated Feb 2009)

Appendix H: Quarterly Owner Certification ï Removed notary and added perjury info.

OCTOBER 2009 REVISION LIST
OHFA Tax Credit Compliance Manual

This revision was necessary following the release of the October 2009 revision to the IRS Guide for Completing Form 8823.

1. Chapter 2, Page 4-5:
   Upon arrival for an inspection, OHFA requires the following items:

Newly added #8: Be able to assure that the ownership and management entity are the same as previously reported on the last Annual Owner Certification submitted to OHFA (effective 1-1-2010).

2. Chapter 4, Page 2:
   6. Rents for Units Receiving Assistance:

Newly added note: *The portion of the rent paid by Section 8 tenants can exceed the LIHC rent ceiling as long as the owner receives a Section 8 assistance payment on behalf of the resident. If no subsidy is provided, the tenant may not pay more than the LIHC rent ceiling. Check with the subsidy provider to assure this is allowed.

3. Chapter 4, Page 8-9:
   Utility Allowance Options:

Newly added: Notification Requirements:
If the owner obtains a utility allowance from a Utility Company, the HUD Utility Schedule Model, or Energy Consumption Model, the owner must (1) submit copies of the utility estimates to the agency having jurisdiction over the building and *(2) make the utility estimate available to all tenants in the building at the beginning of the 90 day period.

*Utility Allowances must be implemented no later than 90 days from the effective date.

4. Chapter 5, Page 2:
   Determine Household Eligibility:
   Who to count:

New: ▪ Deleted Foster Children or Adults

Donôt Count:
ĭ Foster Children or Adults
(continue to include unearned income of foster children and all income of foster adults.)

5. Chapter 5, Page 14:
   Student Households:

Newly added to the definition of a student: IRC 152(f)(2) defines, in part, a ñstudentò as an individual, who during each of 5 calendar months during the calendar year in which the taxable year of the taxpayer begins, is a full-time student at an educational organization described in IRC 170(b)(1)(A)(ii)or is pursuing a full-time course of institutional on-farm training under the supervision of an accredited agent of an educational organization described in the IRC 170(b)(1)(A)(ii) or of a state or political subdivision of a state.

2010 REVISION LIST
Housing Tax Credit Compliance Manual

Revised July 2010:

Chapter 1: The Rules, Requirements, and Resources:

a. Chapter 36 Rules: Added the OHFA Chapter 36 Rules effective 1-1-2011.

Chapter 3: Ownerôs Responsibilities:

a. Reports / Management and Ownership Changes. Added language regarding a management transfer in effect as of 1-1-2010.
b. Vacant Unit Rule / Clarified language

Chapter 4: Rent Restrictions and Lease Requirements:

a. Changes Affecting Allowable Rents for TC Units - Annual Revision to LIHTC Rent Limits / Added language regarding the HERA Special limits.

Appendix A: 2010 income / rent limits effective 5-14-2010 (revised web site May, 2010)

Appendix B: PHA utility charts effective 10-1-09; also at www.ohfa.org

Appendix H: Quarterly Owner Certification ï Added line on report to reflect the total number of empty units (unit never occupied by a tax credit qualified household).

2011 REVISION LIST
Housing Tax Credit Compliance Manual

Revised July 2011:

Chapter 1: The Rules, Requirements, and Resources:

a. Chapter 36 Rules: Added the OHFA Chapter 36 Rules effective 1-1-2012.
b. Deleted the 24 CFR Part 5 Student Annual Income
c. Deleted the NCSHA Recommended Best Practices

Chapter 2: OHFA's Responsibilities:

a. Added language that the Uniform Physical Condition Standards are used.

Chapter 3: Owner's Responsibilities:

a. Annual Owner Cert: Added language that hard copy of AOC due no later than February 15, 2012.

b. HUD Demographic Data Collection: Added language that electronic AOC and tenant certs are due no later than February 15, 2012 in COL.

c. Exempt units: OHFA will not require utilities to be paid by manager.

d. Student Household: Added language that student status required annually.

e. Felony question: Added language that felony question is required annually.

f. Special Needs: Added Homeless and Disabled in heading

Chapter 4: Rent Restrictions and Lease Requirements:

a. Rents for Units Receiving Assistance: Added language that rent cannot exceed LIHC rent ceiling for a new move-in or initial TIC.
b. HERA limits: Revised language re: which limits to use per placed in service date.
c. Changes to Utility Allowance: Added language that utility allowance method must be selected and updated by Jan 1 each year and implemented no later than 90 days.

Chapter 5: Determining Tenant Eligibility:

a. Complete Rental Application: Added language that felony question is required annually.
b. Verify all Gross Income: Changed first hand verification pay stubs to 6 to 8 weeks.
c. Obtain Tenant Income Certification: Added language re: alternative TIC.
d. Pre-paid debit cards: Added IRS guidance to include debit cards as asset

Appendix A: 2011 income / rent limits effective 5-14-2011 (revised web site May, 2011)

Appendix B: PHA utility charts effective 10-1-11; also at www.ohfa.org

Appendix G: Added Alternative TIC with household composition data.

2012 REVISION LIST
Housing Tax Credit Compliance Manual

Revised August 2012:

The entire manual Chapter(s) 2-5 have been re-formatted.

Chapter 2: OHFA's Responsibilities:

a. Added: ADA and FHA under Exterior physical standards.
b. Added: "and free of obstructions" to Interior physical standards.
c. Added: "handicap parking spaces without access aisle and ramps" to common noncompliance issues.

Chapter 3: Owner's Responsibilities:

a. Added: "and audit corrections" to Reports.
b. Clarified: quarterly owners report must have current copies of TICs for each tenant in that reportable quarter.
c. If interested in submitting the Annual Owner Certification Report to OHFA via email contact OHFA and we will provide you with further detailed information.
d. Clarified: COL procedure required to submit hard copies of the annual owner cert. You must print before you submit. The AOC printed from the system is not required to be notarized.
e. Added: website for COL.
f. Clarified: "Each BIN # must be submitted separately" via COL for AOCs and TICs.
g. Clarified: the Annual Household Certification Form in Appendix G is to be used for 100% LIHTC projects eligible to eliminate recertification's.
h. Compliance with Fair Housing and Equal Opportunity Laws / added Disclaimer: Owners and managers should not rely solely upon this manual when assessing their compliance with the Fair Housing Act. OHFA does not in any way warrant that this manual will ensure compliance with any laws or regulations regarding accessibility for disabled individuals. Owners and managers should consult with legal and architectural professionals for further guidance.
i. Added: Compliance with Fair Housing and Equal Opportunity Laws / added Fair Housing Language for Site, Common Building, and Dwelling unit accessibility.
j. Special Needs Units / Effective 2009 or later, if an owner was awarded credits for special needs units, the units may not be receiving Section 8 Project Based rental assistance to make up of for the lower rent being charged. Effective 2013 or later, if an owner was awarded credits for special needs units, the units may not be receiving any rental assistance to make up of for the lower rent being charged.
k. Determining Family Income / Clarified OHFA website address for income limits.

Chapter 4: Rent Restrictions and Lease Requirements:

a. Revised: Rental Application Fees, max per adult household member charged changed to $ 30.00.
b. Clarified: Rents for Units Receiving Assistance, "Special Needs Units" how to administer reference in Chapter 3 of OHFA LIHC Manual.
c. Added: If the residents' rent is not affected, a new TIC does not need to be completed until the next recertification, if applicable.

d. Deleted: Effective Jan 1, 2012, the utility allowance method must be selected and updated and the allowance must be implemented within 90 days of the effective date.
e. Added: language regarding obtaining the actual utility allowance from the local utility provider.
f. Clarified: intent of Lease Term for LIHC.

Chapter 5: Determining Tenant Eligibility:

a. Clarified: OHFA Household Information Form is found in Appendix G.
b. Clarified: using the Rural Development (RD) TIC. RD sites may use the RD TIC however; the Tax Credit OHFA effective date is always the move-in date or anniversary of, regardless of the RD requirements.
c. Step 1 / Added language to children under joint custody "*who are present in the household 50% or more of the time, if a question about status arises additional records may be requested"*.
d. Evaluate Asset Income / Clarified language regarding pre-paid debit cards to treat the same as a checking account. The balance on the card will need to be verified only if the total household assets exceed $5,000.
e. Updated Income Exclusions to mirror the recent Federally mandated exclusions from income posted in the Federal Register July 2012.
f. Clarified: Full Time Student Exceptions # 1 and 2 (must be met by only 1 person in the household.
g. Clarified website location for Acceptable Forms of Verification for HUD Handbook, Occupancy Requirements for SMHP, Appendix 3.
h. Clarified The HUD LIHTC Tenant Income Certification can be found in Appendix G which includes the household composition data that is required by HUD. This TIC may be used for initial certifications and all applicable recertification's as long as appropriate back up is obtained.
i. For sites eliminating re-certifications, Appendix G "OHFA Household Information Form" must be completed annually.

Appendix A: 2012 income / rent limits effective 12-1-11 (revised hard copy only, web was updated in Dec. 2011)

Appendix B: PHA utility chart for all counties in OK effective 10-1-12

Appendix D: Under $5000 Asset Certification / Added a line for the pre-paid debit card

Appendix F: Income Verification for Households with Section 8 Vouchers / added language on the form stating it cannot be used as income verification for an initial income certification.
Appendix F: Child Support Verification clarified if minor children in household a divorce decree must be obtained.

Appendix G: OHFA HUD fillable TIC / removed the vacant box regarding if unit is vacant or not.

Appendix G: Previously added to the website and disseminated to all owners, the OHFA Household Information Form (required as of 6-1-2012).

Appendix G: OHFA Household Information Form / clarified instructions on form.

Appendix I: Annual Owner Certification / Deleted language in #3 "…or, in the case of a tenant receiving Section 8 housing assistance payments, the statement from a public housing authority described in paragraph (b)(1)(vii)."

Appendix L: Added Frequently Asked Questions

Appendix M: OHFA Fair Housing Accessibility Guide

2013 REVISION LIST
Housing Tax Credit Compliance Manual

Revised August 2013:

Title 330. Oklahoma Housing Finance Agency
Chapter 36. Affordable Housing Tax Credit Program

a) Added: 2014 Program Rules effective 01/01/2014.

Chapter 3: Owner's Responsibilities:

a) Added: Last date and time for accepted request will be January 31 on or before 4:00 PM CST.
b) Clarified: OHFA will not monitor columns H – N on the unit data sheet for 100% Tax Credit. Use the Annual Household Certification Form in Appendix G.
c) Clarified: Felony Status, Please see OHFA Chapter 36 Program Rules for requirements and definitions.
d) Clarified: Homeless Units, regarding FEMA displacement see Appendix N for related forms.
e) Revised: Special Needs Units will now be "Targeted Populations."

Chapter 4: Rent Restrictions and Lease Requirements:

a) Deleted: Utility Company Estimate, not the actual cost of each unit over the past 12 months.
b) Inserted: Utility Company Estimate, The actual utility cost of a random sampling of units (minimum 20%) at the subject property (by bedroom type) and occupied for all 12 months may be used. Copies of calculations must be provided to OHFA at inspections and upon request.

Chapter 5: Determining Tenant Eligibility:

a) Inserted: Income Inclusions #4- Do not count any remaining retirement benefit amounts in the account as an asset if periodic payments are received.
b) Inserted: Asset Inclusions and Exclusions #5- unless benefits are being received through periodic payments. (See #4 of Income Inclusions for retirement periodic payments).

Housing Tax Credit Compliance FAQs:

a) Added: 17. Can same sex families qualify for LIHTC housing if comprised entirely of full time students? At the time of publication of this manual program guidance states for Federal tax purposes, the Internal Revenue Service (Service) recognizes a marriage of same-sex individuals validly entered into in a state whose laws authorize the marriage of two individuals of the same sex even if the state in which they are domiciled does not recognize the validity of same-sex marriages. If married and eligible to file a joint tax return same sex families may

be eligible. Please continue to stay abreast of current information from the IRS as guidance is forthcoming. Information for this FAQ is based on IRS Rev. Rul. 2013-17.

Appendix N, Federally Declared Disaster Forms, Oklahoma

a) Added: Summary and Instructions, Displacement Affidavit, Temporary Housing Lease Addendum, LIHTC Annual Occupancy Report (Only for Disaster Victims with Temporary Housing Assistance).

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2014 REVISION LIST
Housing Tax Credit Compliance Manual

Revised August 2014:

OK Affordable Housing Compliance Manual Overview

a) Added: LIHTC Compliance Manual.

Chapter 2: OHFA's Responsibilities:

a) Added: Helpful Hints for a Successful Inspection, including language concerning File and Unit Inspection requirements for an efficient site inspection.

Chapter 3: Owner's Responsibilities:

a) Added: Avoid piecemeal correspondence by reviewing all documents for accuracy and completeness.
b) Clarified: Owners have the ability to electronically submit the signed copy of the AOC(s)…
c) Revised: Electronically submitted AOCs request date changed to January 30 on or before 4:00 PM CST.
d) Clarified: Owners must report all instances of casualty loss to OHFA LIHTC Compliance staff as soon as discovered and send all applicable documentation.
e) Added: Please review your document prior to mailing to IRS and ensure Part II question 8(b) is answered correctly. Your response will impact whether unit transfers are allowed as this is a non-revocable designation with the IRS and OHFA. Changes to this designation are not allowed unless directly communicated by the IRS with all proper documentation provided to OHFA LIHTC Compliance for any deviation to this designation.
f) Added: Service animals are allowed with proper documentation by a qualified professional. Pet deposits are not allowed for service animals.
g) Added: If the original owner re-syndicates with rehab credits, and if a resident's income was over 140% of their income limit at their most recent recertification, the owner is subject to available unit rule for the new credit allocation. The owner must rent next available unit to an LIHTC resident to maintain the applicable fraction needed to produce the anticipated tax credit for the new allocation.

Vacant units preciously occupied by income qualified households continue to quality for the LIHTC program under the Vacant Unit Rule. The new owner must calculate the applicable fraction on a month-by-month basis for year one as required under the first year reporting convention. Resident originally qualified during the initial compliance or extended use period is eligible provided that the owner has supporting documentation in resident file.

h) Revised: Rev-Proc 2003-82 (Safe Harbor) to B(1).

i) Added: B(2) Things to Consider: It is highly recommended to consult a LITHC attorney for specific program details and guidance in lease up or PIS for Acquisition/Rehab Properties.
    a. Meet/talk with investors.
    b. Read 8823 Audit Guide, Chapter 4 and Understand Uniform Relocation Act (URA) of 1970.
    c. Review all resident files and diligently track resident relocation.
    d. Meet with residents.
    e. Be prepared to implement all necessary (if applicable) income limit or rent decreases.

j) Added: Section 7, Live-In Aide definition. A person who resides with one or more elderly persons, near-elderly persons, or persons with disabilities, and who:
    1. Is determined to be essential to the care and well-being of the persons;
    2. Is not obligated for the support of the persons; and
    3. Would not be living in the unit except to provide the necessary supportive services.

k) Added: Training Opportunities; All new to LIHTC Compliance in the state of Oklahoma are encouraged to attend OHFA annual sponsored Tax Credit Training. All current site management staff are also encouraged to attend every few years at a minimum. Information will be posted and updated to OHFA website which can be found at: http://www.ohfa.org/pageviewer.aspx?m=SUBPAGE_DevelopersTrainingOpportunities.html.

<u>Chapter 4: Rent Restrictions and Lease Requirements:</u>

a) Added: Optional Services Available to Residents: You may charge a refundable pet deposit. However, this is not applicable to service animals.

b) Added: Compliance to Utility Allowance Notification Requirements.

Chapter 5: Determining Tenant Eligibility:

a) Added, Who to Count; Foster Children or Adults.

b) Added: The student question must be asked at initial certification and recertification and annually for 100% Tax Credit properties eliminating re-certifications.

Appendix A, OHFA's LIHTC Income / Rent Limits:

a) Added: 2015 Income and Rent Limits are forthcoming and have not yet been released. Manual will be updated once received. (Note: typically released in December)

Appendix B, OHFA's Utility Allowance Chart:

a) Added: Added: 2015 UAs are forthcoming and have not yet been released. Manual will be updated once received. (Note: typically released in October or November)

Appendix G, Annual Household Data Form:

b) Added: Highlighted Race and Ethnicity.

Appendix F, Employment Verification Form:

a) Added: Gross wages, Gross YTD and Number of pay periods in YTD earnings.

Appendix N, Federally Declared Disaster Forms, Oklahoma

a) Deleted: Entire section and all forms.

2015 REVISION LIST
Housing Tax Credit Compliance Manual

Revised August 2015:

Overview:

a) Clarified: 100 NW 63rd, Suite 200, Oklahoma City, OK 73116. (405) 419-8131 or (405) 419-8272, Attn: Tax Credit Compliance Department.

Chapter 3, Owner's Responsibilities:

a) Added: On June 2, 2014, the IRS issued PTMA 2014-22. However, pending formal regulatory guidance, OHFA will continue to monitor Employee/Manager/Exempt-Staff Units according to Revenue Ruling 92-61.
b) Del**e**ted: See Appendix N for related forms. (Homeless Units)
c) Clarified: hard copies of Income Certifications for each Tenant reflecting that quarter and new move-ins along in that quarter with the completed **current** hard copies of Unit Data Sheet.
d) Added: Under Rev. Proc. 2003-82, a unit occupied before the beginning of the credit period will be considered a low-income unit at the beginning of the credit period, even if the household's income exceeds the income limit at the beginning of the first year of the credit period, if two conditions related to income qualifications are met, and the unit is rent restricted.

   For households occupying a unit at the time of acquisition by the owner, the initial tenant income certification is completed within 120 days after the date of acquisition using the income limits in effect on the day of acquisition. The effective date of the tenant income certification is the date of acquisition since there is no move-in date.

   In the event that the household occupies a unit at the time of acquisition, but the tenant income certification is completed more than 120 after the date of acquisition, the household is treated as a new move-in. Owners use the income limits in effect at the time of the tenant income certification and the effective date is the date the last adult member of the household signed the certification, (this is an exception to the general rule for effective dates because there is no move-in date).

a) When the household moves into a unit after the building is acquired but before the beginning of the first year of the compliance period, the tenant income certification is completed using the income limits in effect at the time of the certification and the effective date is the date the household moves into the unit.

Chapter 4, Rent Restrictions and Lease Requirements:

a) Clarified: Utility allowances must be implemented no later than 90 days from when the utility allowance is made available. If an owner obtains a utility estimate from a local utility company or state/local housing credit agency, the 90-day period will begin with the receipt of the information. The date of receipt is determined based on the date of the correspondence.
b) Clarified: cost of re-letting is prohibited.

c) Clarified/deleted: The final regulations neither prohibit using different options for different utilities nor prohibit changing the options used for calculating utilities.

Chapter 5, Determining Tenant Eligibility:

a) Edited from 2.0% to 0.06%. Page 10.
b) Added: Consider at least one member of the household was previously under the care and placement of a foster care program under Title IV of the Social Security Act. Page 17.
c) Clarified: The required forms can be found in the appendices in the back of the book: (see manual).
d) Clarified: All adult household members.

Appendix A, OHFA's LIHTC Income / Rent Limits:

a) Added: 2016 Income and Rent Limits are forthcoming and have not yet been released. Manual will be updated once received. (Note: typically released in December)

Appendix B, OHFA's Utility Allowance Chart:

a) Added: Added: 2016 UAs have been published and are available on ohfa.org.

Appendix E, Certification of Student Eligibility:

e) Added: F. At least one member of the household was previously under the care and placement of a foster care program under Title IV of the Social Security Act.

2016 REVISION LIST
Housing Tax Credit Compliance Manual

Revised August 2016:

Overview:

a) Added phone number: (405) 419-8120

Chapter 3, Owner's Responsibilities:

a) Deleted: Electronic AOC submittal option. This is no longer available.
b) Clarified: A hard copy of the signed AOC and attachments must be printed and submitted to OHFA no later than February 15th of each year
c) Clarified: The unsigned COL Annual Owner Report and all Tenant Certifications must be submitted electronically via COL to OHFA no later than February 15th each year.
d) Added: Include any information and plans to address any high vacancy, units vacant >90 days, late recerts, etc. in the cover letter with the UDS.

Chapter 5, Determining Tenant Eligibility:

a) Edited: at least one member of the household is enrolled in a job training program receiving assistance under the Job Training Partnership Act (known as the Workforce Investment Act), or similar federal, state, or local law. See Income Exclusion 16h.

Appendix B, OHFA's Utility Allowance Chart:

a) Added: 2017 UAs are expected to be available in October and will be posted at that time to ohfa.org.

Appendix F, Child Support/Alimony Verification:

b) Added: I am DIVORCED / LEGALLY SEPARATED / SEPARATED/ NEVER MARRIED (circle one) from the parent of the following children (so relationship with children's father is provided and not just current marital status)

IRC
SECTION 42
‘THE CODE’

Internal Revenue Code § 42 Low-income housing credit.

(a) In general.
For purposes of section 38 , the amount of the low-income housing credit determined under this section for any taxable year in the credit period shall be an amount equal to—

(1) the applicable percentage of

(2) the qualified basis of each qualified low-income building.

(b) Applicable percentage: 70 percent present value credit for certain new buildings; 30 percent present value credit for certain other buildings.
For purposes of this section —

(1) Building placed in service during 1987.
In the case of any qualified low-income building placed in service by the taxpayer during 1987, the term "applicable percentage" means—

(A) 9 percent for new buildings which are not federally subsidized for the taxable year, or

(B) 4 percent for—

(i) new buildings which are federally subsidized for the taxable year, and

(ii) existing buildings.

(2) Buildings placed in service after 1987.

(A) In general. In the case of any qualified low-income building placed in service by the taxpayer after 1987, the term "applicable percentage" means the appropriate percentage prescribed by the Secretary for the earlier of—

(i) the month in which such building is placed in service, or

(ii) at the election of the taxpayer—

(I) the month in which the taxpayer and the housing credit agency enter into an agreement with respect to such building (which is binding on such agency, the taxpayer, and all successors in interest) as to the housing credit dollar amount to be allocated to such building, or

(II) in the case of any building to which subsection (h)(4)(B) applies, the month in which the tax-exempt obligations are issued.

A month may be elected under clause (ii) only if the election is made not later than the 5th day after the close of such month. Such an election, once made, shall be irrevocable.

(B) Method of prescribing percentages. The percentages prescribed by the Secretary for any month shall be percentages which will yield over a 10-year period amounts of credit under subsection (a) which have a present value equal to—

(i) 70 percent of the qualified basis of a building described in paragraph (1)(A) , and

(ii) 30 percent of the qualified basis of a building described in paragraph (1)(B) .

(C) Method of discounting. The present value under subparagraph (B) shall be determined—

(i) as of the last day of the 1st year of the 10-year period referred to in subparagraph (B) ,

(ii) by using a discount rate equal to 72 percent of the average of the annual Federal mid-term rate and the annual Federal long-term rate applicable under section 1274(d)(1) to the month applicable under clause (i) or (ii) of subparagraph (A) and compounded annually, and

(iii) by assuming that the credit allowable under this section for any year is received on the last day of such year.

(3) Cross references.

(A) For treatment of certain rehabilitation expenditures as separate new buildings, see subsection (e) .

(B) For determination of applicable percentage for increases in qualified basis after the 1st year of the credit period, see subsection (f)(3) .

(C) For authority of housing credit agency to limit applicable percentage and qualified basis which may be taken into account

under this section with respect to any building, see subsection (h)(7) .

(c) Qualified basis; qualified low-income building.
For purposes of this section —

(1) Qualified basis.

(A) Determination. The qualified basis of any qualified low-income building for any taxable year is an amount equal to—

(i) the applicable fraction (determined as of the close of such taxable year) of

(ii) the eligible basis of such building (determined under subsection (d)(5)).

(B) Applicable fraction. For purposes of subparagraph (A) , the term “applicable fraction” means the smaller of the unit fraction or the floor space fraction.

(C) Unit fraction. For purposes of subparagraph (B) , the term “unit fraction” means the fraction—

(i) the numerator of which is the number of low-income units in the building, and

(ii) the denominator of which is the number of residential rental units (whether or not occupied) in such building.

(D) Floor space fraction. For purposes of subparagraph (B) , the term “floor space fraction” means the fraction—

(i) the numerator of which is the total floor space of the low-income units in such building, and

(ii) the denominator of which is the total floor space of the residential rental units (whether or not occupied) in such building.

(E) Qualified basis to include portion of building used to provide supportive services for homeless. In the case of a qualified low-income building described in subsection (i)(3)(B)(iii) , the qualified basis of such building for any taxable year shall be increased by the lesser of—

(i) so much of the eligible basis of such building as is used throughout the year to provide supportive services designed to assist tenants in locating and retaining permanent housing, or

(ii) 20 percent of the qualified basis of such building (determined without regard to this subparagraph).

(2) Qualified low-income building.
The term "qualified low-income building" means any building—

(A) which is part of a qualified low-income housing project at all times during the period—

(i) beginning on the 1st day in the compliance period on which such building is part of such a project, and

(ii) ending on the last day of the compliance period with respect to such building, and

(B) to which the amendments made by section 201(a) of the Tax Reform Act of 1986 apply.

Such term does not include any building with respect to which moderate rehabilitation assistance is provided, at any time during the compliance period, under section 8(e)(2) of the United States Housing Act of 1937 (other than assistance under the Stewart B. McKinney Homeless Assistance Act (as in effect on the date of the enactment of this sentence)).

(d) Eligible basis.
For purposes of this section —

(1) New buildings.
The eligible basis of a new building is its adjusted basis as of the close of the 1st taxable year of the credit period.

(2) Existing buildings.

(A) In general. The eligible basis of an existing building is—

(i) in the case of a building which meets the requirements of subparagraph (B) , its adjusted basis as of the close of the 1st taxable year of the credit period, and

(ii) zero in any other case.

(B) Requirements. A building meets the requirements of this subparagraph if—

(i) the building is acquired by purchase (as defined in section 179(d)(2)),

(ii) there is a period of at least 10 years between the date of its acquisition by the taxpayer and the later of—

(I) the date the building was last placed in service, or

(II) the date of the most recent nonqualified substantial improvement of the building,

(iii) the building was not previously placed in service by the taxpayer or by any person who was a related person with respect to the taxpayer as of the time previously placed in service, and

(iv) except as provided in subsection (f)(5) , a credit is allowable under subsection (a) by reason of subsection (e) with respect to the building.

(C) Adjusted basis. For purposes of subparagraph (A) , the adjusted basis of any building shall not include so much of the basis of such building as is determined by reference to the basis of other property held at any time by the person acquiring the building.

(D) Special rules for subparagraph (B) .

(i) Nonqualified substantial improvement. For purposes of subparagraph (B)(ii) —

(I) In general. The term “nonqualified substantial improvement” means any substantial improvement if section 167(k) (as in effect on the day before the date of enactment of the Revenue Reconciliation Act of 1990 [11/5/90]) was elected with respect to such improvement or section 168 (as in effect on the day before the date of the enactment of the Tax Reform Act of 1986) applied to such improvement.

(II) Date of substantial improvement. The date of a substantial improvement is the last day of the 24-month period referred to in subclause (III) .

(III) Substantial improvement. The term “substantial improvement” means the improvements added to capital account with respect to the building during any 24-month period, but only if the sum of the amounts added to such account during such period equals or exceeds 25 percent of the adjusted basis of the building (determined without regard to paragraphs (2) and (3) of section 1016(a)) as of the 1st day of such period.

(ii) Special rules for certain transfers. For purposes of determining under subparagraph (B)(ii) when a building was last placed in service, there shall not be taken into account any placement in service—

(I) in connection with the acquisition of the building in a transaction in which the basis of the building in the hands of the person acquiring it is determined in whole or in part by reference to the adjusted basis of such building in the hands of the person from whom acquired,

(II) by a person whose basis in such building is determined under section 1014(a) (relating to property acquired from a decedent),

(III) by any governmental unit or qualified nonprofit organization (as defined in subsection (h)(5)) if the requirements of subparagraph (B)(ii) are met with respect to the placement in service by such unit or organization and all the income from such property is exempt from Federal income taxation,

(IV) by any person who acquired such building by foreclosure (or by instrument in lieu of foreclosure) of any purchase-money security interest held by such person if the requirements of subparagraph (B)(ii) are met with respect to the placement in service by such person and such building is resold within 12 months after the date such building is

placed in service by such person after such foreclosure, or

(V) of a single-family residence by any individual who owned and used such residence for no other purpose than as his principal residence.

(iii) Related person, etc.

(I) Application of section 179 . For purposes of subparagraph (B)(i) , section 179(d) shall be applied by substituting “10 percent” for “50 percent” in section 267(b) and 707(b) and in section 179(d)(7) .

(II) Related person. For purposes of subparagraph (B)(iii) , a person (hereinafter in this subclause referred to as the “related person”) is related to any person if the related person bears a relationship to such person specified in section 267(b) or 707(b)(1) , or the related person and such person are engaged in trades or businesses under common control (within the meaning of subsections (a) and (b) of section 52). For purposes of the preceding sentence, in applying section 267(b) or 707(b)(1) , “10 percent” shall be substituted for “50 percent”.

(3) Eligible basis reduced where disproportionate standards for units.

(A) In general. Except as provided in subparagraph (B) , the eligible basis of any building shall be reduced by an amount equal to the portion of the adjusted basis of the building which is attributable to residential rental units in the building which are not low-income units and which are above the average quality standard of the low-income units in the building.

(B) Exception where taxpayer elects to exclude excess costs.

(i) In general. Subparagraph (A) shall not apply with respect to a residential rental unit in a building which is not a low-income unit if—

(I) the excess described in clause (ii) with respect to such unit is not greater than 15 percent of the cost described in clause (ii)(II) , and

(II) the taxpayer elects to exclude from the eligible basis of such building the excess described in clause (ii) with respect to such unit.

(ii) Excess. The excess described in this clause with respect to any unit is the excess of—

(I) the cost of such unit, over

(II) the amount which would be the cost of such unit if the average cost per square foot of low-income units in the building were substituted for the cost per square foot of such unit.

The Secretary may by regulation provide for the determination of the excess under this clause on a basis other than square foot costs.

(4) Special rules relating to determination of adjusted basis.
For purposes of this subsection —

(A) In general. Except as provided in subparagraphs (B) and (C) , the adjusted basis of any building shall be determined without regard to the adjusted basis of any property which is not residential rental property.

(B) Basis of property in common areas, etc., included. The adjusted basis of any building shall be determined by taking into account the adjusted basis of property (of a character subject to the allowance for depreciation) used in common areas or provided as comparable amenities to all residential rental units in such building.

(C) Inclusion of basis of property used to provide services for certain nontenants.

(i) In general. The adjusted basis of any building located in a qualified census tract (as defined in paragraph (5)(C)) shall be determined by taking into account the adjusted basis of property (of a character subject to the allowance for depreciation and not otherwise taken into account) used throughout the taxable year in providing any community service facility.

(ii) Limitation. The increase in the adjusted basis of any building which is taken into account by reason of clause (i)

shall not exceed 10 percent of the eligible basis of the qualified low-income housing project of which it is a part. For purposes of the preceding sentence, all community service facilities which are part of the same qualified low-income housing project shall be treated as one facility.

(iii) Community service facility. For purposes of this subparagraph , the term “community service facility” means any facility designed to serve primarily individuals whose income is 60 percent or less of area median income (within the meaning of subsection (g)(1)(B)).

(D) No reduction for depreciation. The adjusted basis of any building shall be determined without regard to paragraphs (2) and (3) of section 1016(a) .

(5) Special rules for determining eligible basis.

(A) Eligible basis reduced by federal grants. If, during any taxable year of the compliance period, a grant is made with respect to any building or the operation thereof and any portion of such grant is funded with Federal funds (whether or not includible in gross income), the eligible basis of such building for such taxable year and all succeeding taxable years shall be reduced by the portion of such grant which is so funded.

(B) Eligible basis not to include expenditures where section 167(k) elected. The eligible basis of any building shall not include any portion of its adjusted basis which is attributable to amounts with respect to which an election is made under section 167(k) (as in effect on the day before the date of enactment of the Revenue Reconciliation Act of 1990 [11/5/90]).

(C) Increase in credit for buildings in high cost areas.

(i) In general. In the case of any building located in a qualified census tract or difficult development area which is designated for purposes of this subparagraph —

(I) in the case of a new building, the eligible basis of such building shall be 130 percent of such basis determined without regard to this subparagraph , and

(II) in the case of an existing building, the rehabilitation expenditures taken into account under

subsection (e) shall be 130 percent of such expenditures determined without regard to this subparagraph .

(ii) Qualified census tract.

(I) In general. The term “qualified census tract” means any census tract which is designated by the Secretary of Housing and Urban Development and, for the most recent year for which census data are available on household income in such tract, either in which 50 percent or more of the households have an income which is less than 60 percent of the area median gross income for such year or which has a poverty rate of at least 25 percent. If the Secretary of Housing and Urban Development determines that sufficient data for any period are not available to apply this clause on the basis of census tracts, such Secretary shall apply this clause for such period on the basis of enumeration districts.

(II) Limit on MSA's designated. The portion of a metropolitan statistical area which may be designated for purposes of this subparagraph shall not exceed an area having 20 percent of the population of such metropolitan statistical area.

(III) Determination of areas. For purposes of this clause , each metropolitan statistical area shall be treated as a separate area and all nonmetropolitan areas in a State shall be treated as 1 area.

(iii) Difficult development areas.

(I) In general. The term “difficult development areas” means any area designated by the Secretary of Housing and Urban Development as an area which has high construction, land, and utility costs relative to area median gross income.

(II) Limit on areas designated. The portions of metropolitan statistical areas which may be designated for purposes of this subparagraph shall not exceed an aggregate area having 20 percent of the population of such metropolitan statistical areas.

A comparable rule shall apply to nonmetropolitan areas.

(iv) Special rules and definitions. For purposes of this subparagraph —

(I) population shall be determined on the basis of the most recent decennial census for which data are available,

(II) area median gross income shall be determined in accordance with subsection (g)(4) ,

(III) the term “metropolitan statistical area” has the same meaning as when used in section 143(k)(2)(B) , and

(IV) the term “nonmetropolitan area” means any county (or portion thereof) which is not within a metropolitan statistical area.

(6) Credit allowable for certain federally-assisted buildings acquired during 10-year period described in paragraph (2)(B)(ii) .

(A) In general. On application by the taxpayer, the Secretary (after consultation with the appropriate Federal official) may waive paragraph (2)(B)(ii) with respect to any federally-assisted building if the Secretary determines that such waiver is necessary—

(i) to avert an assignment of the mortgage secured by property in the project (of which such building is a part) to the Department of Housing and Urban Development or the Farmers Home Administration, or

(ii) to avert a claim against a Federal mortgage insurance fund (or such Department or Administration) with respect to a mortgage which is so secured.

The preceding sentence shall not apply to any building described in paragraph (7)(B) .

(B) Federally-assisted building. For purposes of subparagraph (A) , the term “federally-assisted building” means any building which is substantially assisted, financed, or operated under—

(i) section 8 of the United States Housing Act of 1937,

(ii) section 221(d)(3) or 236 of the National Housing Act, or

(iii) section 515 of the Housing Act of 1949,

as such Acts are in effect on the date of the enactment of the Tax Reform Act of 1986.

(C) Low-income buildings where mortgage may be prepaid. A waiver may be granted under subparagraph (A) (without regard to any clause thereof) with respect to a federally-assisted building described in clause (ii) or (iii) of subparagraph (B) if—

(i) the mortgage on such building is eligible for prepayment under subtitle B of the Emergency Low Income Housing Preservation Act of 1987 or under section 502(c) of the Housing Act of 1949 at any time within 1 year after the date of the application for such a waiver,

(ii) the appropriate Federal official certifies to the Secretary that it is reasonable to expect that, if the waiver is not granted, such building will cease complying with its low-income occupancy requirements, and

(iii) the eligibility to prepay such mortgage without the approval of the appropriate Federal official is waived by all persons who are so eligible and such waiver is binding on all successors of such persons.

(D) Buildings acquired from insured depository institutions in default. A waiver may be granted under subparagraph (A) (without regard to any clause thereof) with respect to any building acquired from an insured depository institution in default (as defined in section 3 of the Federal Deposit Insurance Act) or from a receiver or conservator of such an institution.

(E) Appropriate federal official. For purposes of subparagraph (A) , the term “appropriate Federal official” means—

(i) the Secretary of Housing and Urban Development in the case of any building described in subparagraph (B) by reason of clause (i) or (ii) thereof , and

(ii) the Secretary of Agriculture in the case of any building described in subparagraph (B) by reason of clause (iii) thereof .

(7) Acquisition of building before end of prior compliance period.

(A) In general. Under regulations prescribed by the Secretary, in the case of a building described in subparagraph (B) (or interest therein) which is acquired by the taxpayer—

(i) paragraph (2)(B) shall not apply, but

(ii) the credit allowable by reason of subsection (a) to the taxpayer for any period after such acquisition shall be equal to the amount of credit which would have been allowable under subsection (a) for such period to the prior owner referred to in subparagraph (B) had such owner not disposed of the building.

(B) Description of building. A building is described in this subparagraph if—

(i) a credit was allowed by reason of subsection (a) to any prior owner of such building, and

(ii) the taxpayer acquired such building before the end of the compliance period for such building with respect to such prior owner (determined without regard to any disposition by such prior owner).

(e) Rehabilitation expenditures treated as separate new building.

(1) In general.
Rehabilitation expenditures paid or incurred by the taxpayer with respect to any building shall be treated for purposes of this section as a separate new building.

(2) Rehabilitation expenditures.
For purposes of paragraph (1) —

(A) In general. The term “rehabilitation expenditures” means amounts chargeable to capital account and incurred for property (or additions or improvements to property) of a character subject to the allowance for depreciation in connection with the rehabilitation of a building.

(B) Cost of acquisition, etc, not included. Such term does not include the cost of acquiring any building (or interest therein) or any amount not permitted to be taken into account under paragraph (3) or (4) of subsection (d) .

(3) Minimum expenditures to qualify.

(A) In general. Paragraph (1) shall apply to rehabilitation expenditures with respect to any building only if—

(i) the expenditures are allocable to 1 or more low-income units or substantially benefit such units, and

(ii) the amount of such expenditures during any 24-month period meets the requirements of whichever of the following subclauses requires the greater amount of such expenditures:

(I) The requirement of this subclause is met if such amount is not less than 10 percent of the adjusted basis of the building (determined as of the 1st day of such period and without regard to paragraphs (2) and (3) of section 1016(a)).

(II) The requirement of this subclause is met if the qualified basis attributable to such amount, when divided by the number of low-income units in the building, is $3,000 or more.

(B) Exception from 10 percent rehabilitation. In the case of a building acquired by the taxpayer from a governmental unit, at the election of the taxpayer, subparagraph (A)(ii)(I) shall not apply and the credit under this section for such rehabilitation expenditures shall be determined using the percentage applicable under subsection (b)(2)(B)(ii) .

(C) Date of determination. The determination under subparagraph (A) shall be made as of the close of the 1st taxable year in the credit period with respect to such expenditures.

(4) Special rules.
For purposes of applying this section with respect to expenditures which are treated as a separate building by reason of this subsection —

(A) such expenditures shall be treated as placed in service at the close of the 24-month period referred to in paragraph (3)(A) , and

(B) the applicable fraction under subsection (c)(1) shall be the applicable fraction for the building (without regard to paragraph (1)) with respect to which the expenditures were incurred.

Nothing in subsection (d)(2) shall prevent a credit from being allowed by reason of this subsection .

(5) No double counting.
Rehabilitation expenditures may, at the election of the taxpayer, be taken into account under this subsection or subsection (d)(2)(A)(i) but not under both such subsections.

(6) Regulations to apply subsection with respect to group of units in building.
The Secretary may prescribe regulations, consistent with the purposes of this subsection , treating a group of units with respect to which rehabilitation expenditures are incurred as a separate new building.

(f) Definition and special rules relating to credit period.

(1) Credit period defined.
For purposes of this section , the term “credit period” means, with respect to any building, the period of 10 taxable years beginning with—

(A) the taxable year in which the building is placed in service, or

(B) at the election of the taxpayer, the succeeding taxable year,

but only if the building is a qualified low-income building as of the close of the 1st year of such period. The election under subparagraph (B) , once made, shall be irrevocable.

(2) Special rule for 1st year of credit period.

(A) In general. The credit allowable under subsection (a) with respect to any building for the 1st taxable year of the credit period shall be determined by substituting for the applicable fraction under subsection (c)(1) the fraction—

(i) the numerator of which is the sum of the applicable fractions determined under subsection (c)(1) as of the close of each full month of such year during which such building was in service, and

(ii) the denominator of which is 12.

(B) Disallowed 1st year credit allowed in 11th year. Any reduction by reason of subparagraph (A) in the credit allowable (without

regard to subparagraph (A)) for the 1st taxable year of the credit period shall be allowable under subsection (a) for the 1st taxable year following the credit period.

(3) Determination of applicable percentage with respect to increases in qualified basis after 1st year of credit period.

(A) In general. In the case of any building which was a qualified low-income building as of the close of the 1st year of the credit period, if—

(i) as of the close of any taxable year in the compliance period (after the 1st year of the credit period) the qualified basis of such building exceeds

(ii) the qualified basis of such building as of the close of the 1st year of the credit period,

the applicable percentage which shall apply under subsection (a) for the taxable year to such excess shall be the percentage equal to 2/3 of the applicable percentage which (after the application of subsection (h)) would but for this paragraph apply to such basis.

(B) 1st year computation applies. A rule similar to the rule of paragraph (2)(A) shall apply to any increase in qualified basis to which subparagraph (A) applies for the 1st year of such increase.

(4) Dispositions of property.
If a building (or an interest therein) is disposed of during any year for which credit is allowable under subsection (a) , such credit shall be allocated between the parties on the basis of the number of days during such year the building (or interest) was held by each. In any such case, proper adjustments shall be made in the application of subsection (j) .

(5) Credit period for existing buildings not to begin before rehabilitation credit allowed.

(A) In general. The credit period for an existing building shall not begin before the 1st taxable year of the credit period for rehabilitation expenditures with respect to the building.

(B) Acquisition credit allowed for certain buildings not allowed a rehabilitation credit.

(i) In general. In the case of a building described in clause (ii) —

(I) subsection (d)(2)(B)(iv) shall not apply, and

(II) the credit period for such building shall not begin before the taxable year which would be the 1st taxable year of the credit period for rehabilitation expenditures with respect to the building under the modifications described in clause (ii)(II) .

(ii) Building described. A building is described in this clause if—

(I) a waiver is granted under subsection (d)(6)(C) with respect to the acquisition of the building, and

(II) a credit would be allowed for rehabilitation expenditures with respect to such building if subsection (e)(3)(A)(ii)(I) did not apply and if subsection (e)(3)(A)(ii)(II) were applied by substituting “$2,000” for “$3,000”.

(g) Qualified low-income housing project.
For purposes of this section —

(1) In general.
The term “qualified low-income housing project” means any project for residential rental property if the project meets the requirements of subparagraph (A) or (B) whichever is elected by the taxpayer:

(A) 20-50 test. The project meets the requirements of this subparagraph if 20 percent or more of the residential units in such project are both rent-restricted and occupied by individuals whose income is 50 percent or less of area median gross income.

(B) 40-60 test. The project meets the requirements of this subparagraph if 40 percent or more of the residential units in such project are both rent-restricted and occupied by individuals whose income is 60 percent or less of area median gross income.

Any election under this paragraph , once made, shall be irrevocable. For purposes of this paragraph , any property shall not be treated as failing to be residential rental property merely because part of the building in which such property is located is used for purposes other than residential rental purposes.

(2) Rent-restricted units.

(A) In general. For purposes of paragraph (1) , a residential unit is rent-restricted if the gross rent with respect to such unit does not exceed 30 percent of the imputed income limitation applicable to such unit. For purposes of the preceding sentence, the amount of the income limitation under paragraph (1) applicable for any period shall not be less than such limitation applicable for the earliest period the building (which contains the unit) was included in the determination of whether the project is a qualified low-income housing project.

(B) Gross rent. For purposes of subparagraph (A) , gross rent—

(i) does not include any payment under section 8 of the United States Housing Act of 1937 or any comparable rental assistance program (with respect to such unit or occupants thereof),

(ii) includes any utility allowance determined by the Secretary after taking into account such determinations under section 8 of the United States Housing Act of 1937,

(iii) does not include any fee for a supportive service which is paid to the owner of the unit (on the basis of the low-income status of the tenant of the unit) by any governmental program of assistance (or by an organization described in section 501(c)(3) and exempt from tax under section 501(a)) if such program (or organization) provides assistance for rent and the amount of assistance provided for rent is not separable from the amount of assistance provided for supportive services, and

(iv) does not include any rental payment to the owner of the unit to the extent such owner pays an equivalent amount to the Farmers' Home Administration under section 515 of the Housing Act of 1949.

For purposes of clause (iii) , the term “supportive service” means any service provided under a planned program of services designed to enable residents of a residential rental property to remain independent and avoid placement in a hospital, nursing home, or intermediate care facility for the mentally or physically handicapped. In the case of a single-room occupancy unit or a building described in subsection (i)(3)(B)(iii) , such term includes

any service provided to assist tenants in locating and retaining permanent housing.

(C) Imputed income limitation applicable to unit. For purposes of this paragraph , the imputed income limitation applicable to a unit is the income limitation which would apply under paragraph (1) to individuals occupying the unit if the number of individuals occupying the unit were as follows:

(i) In the case of a unit which does not have a separate bedroom, 1 individual.

(ii) In the case of a unit which has 1 or more separate bedrooms, 1.5 individuals for each separate bedroom.

In the case of a project with respect to which a credit is allowable by reason of this section and for which financing is provided by a bond described in section 142(a)(7) , the imputed income limitation shall apply in lieu of the otherwise applicable income limitation for purposes of applying section 142(d)(4)(B)(ii) .

(D) Treatment of units occupied by individuals whose incomes rise above limit.

(i) In general. Except as provided in clause (ii) , notwithstanding an increase in the income of the occupants of a low-income unit above the income limitation applicable under paragraph (1) , such unit shall continue to be treated as a low-income unit if the income of such occupants initially met such income limitation and such unit continues to be rent-restricted.

(ii) Next available unit must be rented to low-income tenant if income rises above 140 percent of income limit. If the income of the occupants of the unit increases above 140 percent of the income limitation applicable under paragraph (1) , clause (i) shall cease to apply to such unit if any residential rental unit in the building (of a size comparable to, or smaller than, such unit) is occupied by a new resident whose income exceeds such income limitation. In the case of a project described in section 142(d)(4)(B) , the preceding sentence shall be applied by substituting “170 percent” for “140 percent” and by substituting “any low-income unit in the building is occupied by a new resident whose income exceeds 40 percent of area median gross income” for “any residential unit in the building (of a size

comparable to, or smaller than, such unit) is occupied by a new resident whose income exceeds such income limitation".

(E) Units where federal rental assistance is reduced as tenant's income increases. If the gross rent with respect to a residential unit exceeds the limitation under subparagraph (A) by reason of the fact that the income of the occupants thereof exceeds the income limitation applicable under paragraph (1) , such unit shall, nevertheless, be treated as a rent-restricted unit for purposes of paragraph (1) if—

(i) a Federal rental assistance payment described in subparagraph (B)(i) is made with respect to such unit or its occupants, and

(ii) the sum of such payment and the gross rent with respect to such unit does not exceed the sum of the amount of such payment which would be made and the gross rent which would be payable with respect to such unit if—

(I) the income of the occupants thereof did not exceed the income limitation applicable under paragraph (1) , and

(II) such units were rent-restricted within the meaning of subparagraph (A) .

The preceding sentence shall apply to any unit only if the result described in clause (ii) is required by Federal statute as of the date of the enactment of this subparagraph and as of the date the Federal rental assistance payment is made.

(3) Date for meeting requirements.

(A) In general. Except as otherwise provided in this paragraph , a building shall be treated as a qualified low-income building only if the project (of which such building is a part) meets the requirements of paragraph (1) not later than the close of the 1st year of the credit period for such building.

(B) Buildings which rely on later buildings for qualification.

(i) In general. In determining whether a building (hereinafter in this subparagraph referred to as the "prior building") is a qualified low-income building, the taxpayer

may take into account 1 or more additional buildings placed in service during the 12-month period described in subparagraph (A) with respect to the prior building only if the taxpayer elects to apply clause (ii) with respect to each additional building taken into account.

(ii) Treatment of elected buildings. In the case of a building which the taxpayer elects to take into account under clause (i) , the period under subparagraph (A) for such building shall end at the close of the 12-month period applicable to the prior building.

(iii) Date prior building is treated as placed in service. For purposes of determining the credit period and the compliance period for the prior building, the prior building shall be treated for purposes of this section as placed in service on the most recent date any additional building elected by the taxpayer (with respect to such prior building) was placed in service.

(C) Special rule. A building—

(i) other than the 1st building placed in service as part of a project, and

(ii) other than a building which is placed in service during the 12-month period described in subparagraph (A) with respect to a prior building which becomes a qualified low-income building,

shall in no event be treated as a qualified low-income building unless the project is a qualified low-income housing project (without regard to such building) on the date such building is placed in service.

(D) Projects with more than 1 building must be identified. For purposes of this section , a project shall be treated as consisting of only 1 building unless, before the close of the 1st calendar year in the project period (as defined in subsection (h)(1)(F)(ii)), each building which is (or will be) part of such project is identified in such form and manner as the Secretary may provide.

(4) Certain rules made applicable.
Paragraphs (2) (other than subparagraph (A) thereof), (3) , (4) , (5) , (6) , and (7) of section 142(d) , and section 6652(j) , shall apply for purposes of determining whether any project is a qualified low-income housing project

and whether any unit is a low-income unit; except that, in applying such provisions for such purposes, the term “gross rent” shall have the meaning given such term by paragraph (2)(B) of this subsection

(5) Election to treat building after compliance period as not part of a project.
For purposes of this section , the taxpayer may elect to treat any building as not part of a qualified low-income housing project for any period beginning after the compliance period for such building.

(6) Special rule where de minimis equity contribution.
Property shall not be treated as failing to be residential rental property for purposes of this section merely because the occupant of a residential unit in the project pays (on a voluntary basis) to the lessor a de minimis amount to be held toward the purchase by such occupant of a residential unit in such project if—

> (A) all amounts so paid are refunded to the occupant on the cessation of his occupancy of a unit in the project, and
>
> (B) the purchase of the unit is not permitted until after the close of the compliance period with respect to the building in which the unit is located.

Any amount paid to the lessor as described in the preceding sentence shall be included in gross rent under paragraph (2) for purposes of determining whether the unit is rent-restricted.

(7) Scattered site projects.
Buildings which would (but for their lack of proximity) be treated as a project for purposes of this section shall be so treated if all of the dwelling units in each of the buildings are rent-restricted (within the meaning of paragraph (2)) residential rental units.

(8) Waiver of certain de minimis errors and recertifications.
On application by the taxpayer, the Secretary may waive—

> (A) any recapture under subsection (j) in the case of any de minimis error in complying with paragraph (1) , or
>
> (B) any annual recertification of tenant income for purposes of this subsection , if the entire building is occupied by low-income tenants.

(h) Limitation on aggregate credit allowable with respect to projects located in a state.

(1) Credit may not exceed credit amount allocated to building.

(A) In general. The amount of the credit determined under this section for any taxable year with respect to any building shall not exceed the housing credit dollar amount allocated to such building under this subsection .

(B) Time for making allocation. Except in the case of an allocation which meets the requirements of subparagraph (C) , (D) , (E) , or (F) an allocation shall be taken into account under subparagraph (A) only if it is made not later than the close of the calendar year in which the building is placed in service.

(C) Exception where binding commitment. An allocation meets the requirements of this subparagraph if there is a binding commitment (not later than the close of the calendar year in which the building is placed in service) by the housing credit agency to allocate a specified housing credit dollar amount to such building beginning in a specified later taxable year.

(D) Exception where increase in qualified basis.

(i) In general. An allocation meets the requirements of this subparagraph if such allocation is made not later than the close of the calendar year in which ends the taxable year to which it will 1st apply but only to the extent the amount of such allocation does not exceed the limitation under clause (ii) .

(ii) Limitation. The limitation under this clause is the amount of credit allowable under this section (without regard to this subsection) for a taxable year with respect to an increase in the qualified basis of the building equal to the excess of—

(I) the qualified basis of such building as of the close of the 1st taxable year to which such allocation will apply, over

(II) the qualified basis of such building as of the close of the 1st taxable year to which the most recent prior housing credit allocation with respect to such building applied.

(iii) Housing credit dollar amount reduced by full allocation. Notwithstanding clause (i) , the full amount of the allocation shall be taken into account under paragraph (2) .

(E) Exception where 10 percent of cost incurred.

(i) In general. An allocation meets the requirements of this subparagraph if such allocation is made with respect to a qualified building which is placed in service not later than the close of the second calendar year following the calendar year in which the allocation is made.

(ii) Qualified building. For purposes of clause (i) , the term “qualified building” means any building which is part of a project if the taxpayer's basis in such project (as of the later of the date which is 6 months after the date that the allocation was made or the close of the calendar year in which the allocation is made) is more than 10 percent of the taxpayer's reasonably expected basis in such project (as of the close of the second calendar year referred to in clause (i)). Such term does not include any existing building unless a credit is allowable under subsection (e) for rehabilitation expenditures paid or incurred by the taxpayer with respect to such building for a taxable year ending during the second calendar year referred to in clause (i) or the prior taxable year.

(F) Allocation of credit on a project basis.

(i) In general. In the case of a project which includes (or will include) more than 1 building, an allocation meets the requirements of this subparagraph if—

(I) the allocation is made to the project for a calendar year during the project period,

(II) the allocation only applies to buildings placed in service during or after the calendar year for which the allocation is made, and

(III) the portion of such allocation which is allocated to any building in such project is specified not later than the close of the calendar year in which the building is placed in service.

(ii) Project period. For purposes of clause (i) , the term "project period" means the period—

(I) beginning with the 1st calendar year for which an allocation may be made for the 1st building placed in service as part of such project, and

(II) ending with the calendar year the last building is placed in service as part of such project.

(2) Allocated credit amount to apply to all taxable years ending during or after credit allocation year.
Any housing credit dollar amount allocated to any building for any calendar year—

(A) shall apply to such building for all taxable years in the compliance period ending during or after such calendar year, and

(B) shall reduce the aggregate housing credit dollar amount of the allocating agency only for such calendar year.

(3) Housing credit dollar amount for agencies.

(A) In general. The aggregate housing credit dollar amount which a housing credit agency may allocate for any calendar year is the portion of the State housing credit ceiling allocated under this paragraph for such calendar year to such agency.

(B) State ceiling initially allocated to state housing credit agencies. Except as provided in subparagraphs (D) and (E) , the State housing credit ceiling for each calendar year shall be allocated to the housing credit agency of such State. If there is more than 1 housing credit agency of a State, all such agencies shall be treated as a single agency.

(C) State housing credit ceiling. The State housing credit ceiling applicable to any State for any calendar year shall be an amount equal to the sum of—

(i) the unused State housing credit ceiling (if any) of such State for the preceding calendar year,

(ii) the greater of—

(I) $1.75 ($1.50 for 2001) multiplied by the State population, or

(II) $2,000,000,

(iii) the amount of State housing credit ceiling returned in the calendar year, plus

(iv) the amount (if any) allocated under subparagraph (D) to such State by the Secretary.

For purposes of clause (i) , the unused State housing credit ceiling for any calendar year is the excess (if any) of the sum of the amounts described in clauses (ii) through (iv) over the aggregate housing credit dollar amount allocated for such year. For purposes of clause (iii) , the amount of State housing credit ceiling returned in the calendar year equals the housing credit dollar amount previously allocated within the State to any project which fails to meet the 10 percent test under paragraph (1)(E)(ii) on a date after the close of the calendar year in which the allocation was made or which does not become a qualified low-income housing project within the period required by this section or the terms of the allocation or to any project with respect to which an allocation is cancelled by mutual consent of the housing credit agency and the allocation recipient.

(D) Unused housing credit carryovers allocated among certain states.

(i) In general. The unused housing credit carryover of a State for any calendar year shall be assigned to the Secretary for allocation among qualified States for the succeeding calendar year.

(ii) Unused housing credit carryover. For purposes of this subparagraph , the unused housing credit carryover of a State for any calendar year is the excess (if any) of—

(I) the unused State housing credit ceiling for the year preceding such year, over

(II) the aggregate housing credit dollar amount allocated for such year.

(iii) Formula for allocation of unused housing credit carryovers among qualified states. The amount allocated under this subparagraph to a qualified State for any calendar year shall be the amount determined by the Secretary to bear the same ratio to the aggregate unused

housing credit carryovers of all States for the preceding calendar year as such State's population for the calendar year bears to the population of all qualified States for the calendar year. For purposes of the preceding sentence, population shall be determined in accordance with section 146(j) .

(iv) Qualified State. For purposes of this subparagraph , the term “qualified State” means, with respect to a calendar year, any State—

(I) which allocated its entire State housing credit ceiling for the preceding calendar year, and

(II) for which a request is made (not later than May 1 of the calendar year) to receive an allocation under clause (iii) .

(E) Special rule for states with constitutional home rule cities. For purposes of this subsection —

(i) In general. The aggregate housing credit dollar amount for any constitutional home rule city for any calendar year shall be an amount which bears the same ratio to the State housing credit ceiling for such calendar year as—

(I) the population of such city, bears to

(II) the population of the entire State.

(ii) Coordination with other allocations. In the case of any State which contains 1 or more constitutional home rule cities, for purposes of applying this paragraph with respect to housing credit agencies in such State other than constitutional home rule cities, the State housing credit ceiling for any calendar year shall be reduced by the aggregate housing credit dollar amounts determined for such year for all constitutional home rule cities in such State.

(iii) Constitutional home rule city. For purposes of this paragraph , the term “constitutional home rule city” has the meaning given such term by section 146(d)(3)(C) .

(F) State may provide for different allocation. Rules similar to the rules of section 146(e) (other than paragraph (2)(B) thereof) shall apply for purposes of this paragraph .

(G) Population. For purposes of this paragraph , population shall be determined in accordance with section 146(j) .

(H) Cost-of-living adjustment.

(i) In general. In the case of a calendar year after 2002, the $2,000,000 and $1.75 amounts in subparagraph (C) shall each be increased by an amount equal to—

(I) such dollar amount, multiplied by

(II) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting “calendar year 2001” for “calendar year 1992” in subparagraph (B) thereof.

(ii) Rounding.

(I) In the case of the $2,000,000 amount, any increase under clause (i) which is not a multiple of $5,000 shall be rounded to the next lowest multiple of $5,000.

(II) In the case of the $1.75 amount, any increase under clause (i) which is not a multiple of 5 cents shall be rounded to the next lowest multiple of 5 cents.

(4) Credit for buildings financed by tax-exempt bonds subject to volume cap not taken into account.

(A) In general. Paragraph (1) shall not apply to the portion of any credit allowable under subsection (a) which is attributable to eligible basis financed by any obligation the interest on which is exempt from tax under section 103 if —

(i) such obligation is taken into account under section 146 , and

(ii) principal payments on such financing are applied within a reasonable period to redeem obligations the proceeds of which were used to provide such financing.

(B) Special rule where 50 percent or more of building is financed with tax-exempt bonds subject to volume cap. For purposes of subparagraph (A) , if 50 percent or more of the aggregate basis of any building and the land on which the building is located is financed by any obligation described in subparagraph (A) , paragraph (1) shall not apply to any portion of the credit allowable under subsection (a) with respect to such building.

(5) Portion of state ceiling set-aside for certain projects involving qualified nonprofit organizations.

(A) In general. Not more than 90 percent of the State housing credit ceiling for any State for any calendar year shall be allocated to projects other than qualified low-income housing projects described in subparagraph (B) .

(B) Projects involving qualified nonprofit organizations. For purposes of subparagraph (A) , a qualified low-income housing project is described in this subparagraph if a qualified nonprofit organization is to own an interest in the project (directly or through a partnership) and materially participate (within the meaning of section 469(h)) in the development and operation of the project throughout the compliance period.

(C) Qualified nonprofit organization. For purposes of this paragraph , the term “qualified nonprofit organization” means any organization if—

(i) such organization is described in paragraph (3) or (4) of section 501(c) and is exempt from tax under section 501(a) ,

(ii) such organization is determined by the State housing credit agency not to be affiliated with or controlled by a for-profit organization; and

(iii) 1 of the exempt purposes of such organization includes the fostering of low-income housing.

(D) Treatment of certain subsidiaries.

(i) In general. For purposes of this paragraph , a qualified nonprofit organization shall be treated as satisfying the ownership and material participation test of subparagraph (B) if any qualified corporation in which such organization holds stock satisfies such test.

(ii) Qualified corporation. For purposes of clause (i) , the term “qualified corporation” means any corporation if 100 percent of the stock of such corporation is held by 1 or more qualified nonprofit organizations at all times during the period such corporation is in existence.

(E) State may not override set-aside. Nothing in subparagraph (F) of paragraph (3) shall be construed to permit a State not to comply with subparagraph (A) of this paragraph .

(6) Buildings eligible for credit only if minimum long-term commitment to low-income housing.

(A) In general. No credit shall be allowed by reason of this section with respect to any building for the taxable year unless an extended low-income housing commitment is in effect as of the end of such taxable year.

(B) Extended low-income housing commitment. For purposes of this paragraph , the term “extended low-income housing commitment” means any agreement between the taxpayer and the housing credit agency—

(i) which requires that the applicable fraction (as defined in subsection (c)(1)) for the building for each taxable year in the extended use period will not be less than the applicable fraction specified in such agreement and which prohibits the actions described in subclauses (I) and (II) of subparagraph (E)(ii) ,

(ii) which allows individuals who meet the income limitation applicable to the building under subsection (g) (whether prospective, present, or former occupants of the building) the right to enforce in any State court the requirement and prohibitions of clause (i) ,

(iii) which prohibits the disposition to any person of any portion of the building to which such agreement applies unless all of the building to which such agreement applies is disposed of to such person,

(iv) which prohibits the refusal to lease to a holder of a voucher or certificate of eligibility under section 8 of the United States Housing Act of 1937 because of the status of the prospective tenant as such a holder,

(v) which is binding on all successors of the taxpayer, and

(vi) which, with respect to the property, is recorded pursuant to State law as a restrictive covenant.

(C) Allocation of credit may not exceed amount necessary to support commitment.

(i) In general. The housing credit dollar amount allocated to any building may not exceed the amount necessary to support the applicable fraction specified in the extended low-income housing commitment for such building, including any increase in such fraction pursuant to the application of subsection (f)(3) if such increase is reflected in an amended low-income housing commitment.

(ii) Buildings financed by tax-exempt bonds. If paragraph (4) applies to any building the amount of credit allowed in any taxable year may not exceed the amount necessary to support the applicable fraction specified in the extended low-income housing commitment for such building. Such commitment may be amended to increase such fraction.

(D) Extended use period. For purposes of this paragraph , the term “extended use period” means the period—

(i) beginning on the 1st day in the compliance period on which such building is part of a qualified low-income housing project, and

(ii) ending on the later of—

(I) the date specified by such agency in such agreement, or

(II) the date which is 15 years after the close of the compliance period.

(E) Exceptions if foreclosure or if no buyer willing to maintain low-income status.

(i) In general. The extended use period for any building shall terminate—

(I) on the date the building is acquired by foreclosure (or instrument in lieu of foreclosure)

unless the Secretary determines that such acquisition is part of an arrangement with the taxpayer a purpose of which is to terminate such period, or

(II) on the last day of the period specified in subparagraph (I) if the housing credit agency is unable to present during such period a qualified contract for the acquisition of the low-income portion of the building by any person who will continue to operate such portion as a qualified low-income building.

Subclause (II) shall not apply to the extent more stringent requirements are provided in the agreement or in State law.

(ii) Eviction, etc. of existing low-income tenants not permitted. The termination of an extended use period under clause (i) shall not be construed to permit before the close of the 3-year period following such termination—

(I) the eviction or the termination of tenancy (other than for good cause) of an existing tenant of any low-income unit, or

(II) any increase in the gross rent with respect to such unit not otherwise permitted under this section .

(F) Qualified contract. For purposes of subparagraph (E) , the term “qualified contract” means a bona fide contract to acquire (within a reasonable period after the contract is entered into) the non low-income portion of the building for fair market value and the low-income portion of the building for an amount not less than the applicable fraction (specified in the extended low-income housing commitment) of—

(i) the sum of—

(I) the outstanding indebtedness secured by, or with respect to, the building,

(II) the adjusted investor equity in the building, plus

(III) other capital contributions not reflected in the amounts described in subclause (I) or (II) , reduced by

(ii) cash distributions from (or available for distribution from) the project.

The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out this paragraph , including regulations to prevent the manipulation of the amount determined under the preceding sentence.

(G) Adjusted investor equity.

(i) In general. For purposes of subparagraph (E) , the term “adjusted investor equity” means, with respect to any calendar year, the aggregate amount of cash taxpayers invested with respect to the project increased by the amount equal to—

(I) such amount, multiplied by

(II) the cost-of-living adjustment for such calendar year, determined under section 1(f)(3) by substituting the base calendar year for “calendar year 1987”.

An amount shall be taken into account as an investment in the project only to the extent there was an obligation to invest such amount as of the beginning of the credit period and to the extent such amount is reflected in the adjusted basis of the project.

(ii) Cost-of-living increases in excess of 5 percent not taken into account. Under regulations prescribed by the Secretary, if the CPI for any calendar year (as defined in section 1(f)(4)) exceeds the CPI for the preceding calendar year by more than 5 percent, the CPI for the base calendar year shall be increased such that such excess shall never be taken into account under clause (i) .

(iii) Base calendar year. For purposes of this subparagraph , the term “base calendar year” means the calendar year with or within which the 1st taxable year of the credit period ends.

(H) Low-income portion. For purposes of this paragraph , the low-income portion of a building is the portion of such building equal to the applicable fraction specified in the extended low-income housing commitment for the building.

(I) Period for finding buyer. The period referred to in this subparagraph is the 1-year period beginning on the date (after the 14th year of the compliance period) the taxpayer submits a written request to the housing credit agency to find a person to acquire the taxpayer's interest in the low-income portion of the building.

(J) Effect of noncompliance. If, during a taxable year, there is a determination that an extended low-income housing agreement was not in effect as of the beginning of such year, such determination shall not apply to any period before such year and subparagraph (A) shall be applied without regard to such determination if the failure is corrected within 1 year from the date of the determination.

(K) Projects which consist of more than 1 building. The application of this paragraph to projects which consist of more than 1 building shall be made under regulations prescribed by the Secretary.

(7) Special rules.

(A) Building must be located within jurisdiction of credit agency. A housing credit agency may allocate its aggregate housing credit dollar amount only to buildings located in the jurisdiction of the governmental unit of which such agency is a part.

(B) Agency allocations in excess of limit. If the aggregate housing credit dollar amounts allocated by a housing credit agency for any calendar year exceed the portion of the State housing credit ceiling allocated to such agency for such calendar year, the housing credit dollar amounts so allocated shall be reduced (to the extent of such excess) for buildings in the reverse of the order in which the allocations of such amounts were made.

(C) Credit reduced if allocated credit dollar amount is less than credit which would be allowable without regard to placed in service convention, etc.

(i) In general. The amount of the credit determined under this section with respect to any building shall not exceed the clause (ii) percentage of the amount of the credit which

would (but for this subparagraph) be determined under this section with respect to such building.

(ii) Determination of percentage. For purposes of clause (i) , the clause (ii) percentage with respect to any building is the percentage which—

(I) the housing credit dollar amount allocated to such building bears to

(II) the credit amount determined in accordance with clause (iii) .

(iii) Determination of credit amount. The credit amount determined in accordance with this clause is the amount of the credit which would (but for this subparagraph) be determined under this section with respect to the building if—

(I) this section were applied without regard to paragraphs (2)(A) and (3)(B) of subsection (f) , and

(II) subsection (f)(3)(A) were applied without regard to “the percentage equal to 2/3 of”.

(D) Housing credit agency to specify applicable percentage and maximum qualified basis. In allocating a housing credit dollar amount to any building, the housing credit agency shall specify the applicable percentage and the maximum qualified basis which may be taken into account under this section with respect to such building. The applicable percentage and maximum qualified basis so specified shall not exceed the applicable percentage and qualified basis determined under this section without regard to this subsection .

(8) Other definitions.
For purposes of this subsection —

(A) Housing credit agency. The term “housing credit agency” means any agency authorized to carry out this subsection .

(B) Possessions treated as states. The term “State” includes a possession of the United States.

(i) Definitions and special rules.
For purposes of this section —

(1) Compliance period.
The term “compliance period” means, with respect to any building, the period of 15 taxable years beginning with the 1st taxable year of the credit period with respect thereto.

(2) Determination of whether building is federally subsidized.

(A) In general. Except as otherwise provided in this paragraph , for purposes of subsection (b)(1) , a new building shall be treated as federally subsidized for any taxable year if, at any time during such taxable year or any prior taxable year, there is or was outstanding any obligation the interest on which is exempt from tax under section 103 , or any below market Federal loan, the proceeds of which are or were used (directly or indirectly) with respect to such building or the operation thereof.

(B) Election to reduce eligible basis by balance of loan or proceeds of obligations. A loan or tax-exempt obligation shall not be taken into account under subparagraph (A) if the taxpayer elects to exclude from the eligible basis of the building for purposes of subsection (d) —

(i) in the case of a loan, the principal amount of such loan, and

(ii) in the case of a tax-exempt obligation, the proceeds of such obligation.

(C) Special rule for subsidized construction financing. Subparagraph (A) shall not apply to any tax-exempt obligation or below market Federal loan used to provide construction financing for any building if—

(i) such obligation or loan (when issued or made) identified the building for which the proceeds of such obligation or loan would be used, and

(ii) such obligation is redeemed, and such loan is repaid, before such building is placed in service.

(D) Below market federal loan. For purposes of this paragraph , the term “below market Federal loan” means any loan funded in whole or in part with Federal funds if the interest rate payable on such loan is less than the applicable Federal rate in effect under section 1274(d)(1) (as of the date on which the loan was made). Such term shall not include any loan which would be a below market Federal

loan solely by reason of assistance provided under section 106, 107, or 108 of the Housing and Community Development Act of 1974 (as in effect on the date of the enactment of this sentence).

(E) Buildings receiving home assistance or Native American Housing assistance.

(i) In general. Assistance provided under the HOME Investment Partnerships Act (as in effect on the date of the enactment of this subparagraph or the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4101 et seq.) (as in effect on October 1, 1997) with respect to any building shall not be taken into account under subparagraph (D) if 40 percent or more of the residential units in the building are occupied by individuals whose income is 50 percent or less of area median gross income. Subsection (d)(5)(C) shall not apply to any building to which the preceding sentence applies.

(ii) Special rule for certain high-cost housing areas. In the case of a building located in a city described in section 142(d)(6) , clause (i) shall be applied by substituting “25 percent” for “40 percent”.

(3) Low-income unit.

(A) In general. The term “low-income unit” means any unit in a building if—

(i) such unit is rent-restricted (as defined in subsection (g)(2)), and

(ii) the individuals occupying such unit meet the income limitation applicable under subsection (g)(1) to the project of which such building is a part.

(B) Exceptions.

(i) In general. A unit shall not be treated as a low-income unit unless the unit is suitable for occupancy and used other than on a transient basis.

(ii) Suitability for occupancy. For purposes of clause (i) , the suitability of a unit for occupancy shall be determined under regulations prescribed by the Secretary taking into account local health, safety, and building codes.

(iii) Transitional housing for homeless. For purposes of clause (i) , a unit shall be considered to be used other than on a transient basis if the unit contains sleeping accommodations and kitchen and bathroom facilities and is located in a building—

(I) which is used exclusively to facilitate the transition of homeless individuals (within the meaning of section 103 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11302), as in effect on the date of the enactment of this clause) to independent living within 24 months, and

(II) in which a governmental entity or qualified nonprofit organization (as defined in subsection (h)(5)) provides such individuals with temporary housing and supportive services designed to assist such individuals in locating and retaining permanent housing.

(iv) Single-room occupancy units. For purposes of clause (i) , a single-room occupancy unit shall not be treated as used on a transient basis merely because it is rented on a month-by-month basis.

(C) Special rule for buildings having 4 or fewer units. In the case of any building which has 4 or fewer residential rental units, no unit in such building shall be treated as a low-income unit if the units in such building are owned by—

(i) any individual who occupies a residential unit in such building, or

(ii) any person who is related (as defined in subsection (d)(2)(D)(iii)) to such individual.

(D) Certain students not to disqualify unit. A unit shall not fail to be treated as a low-income unit merely because it is occupied—

(i) by an individual who is—

(I) a student and receiving assistance under title IV of the Social Security Act, or

(II) enrolled in a job training program receiving assistance under the Job Training Partnership Act or under other similar Federal, State, or local laws, or

(ii) entirely by full-time students if such students are—

Caution: Subclause (i)(3)(D)(ii)(I), following, is effective for tax. yrs. begin. before 1/1/2005. For subclause (i)(3)(D)(ii)(I), effective for tax. yrs. begin. after 12/31/2004, see below.

(I) single parents and their children and such parents and children are not dependents (as defined in section 152) of another individual, or

Caution: Subclause (i)(3)(D)(ii)(I), following, is effective for tax. yrs. begin. after 12/31/2004. For subclause (i)(3)(D)(ii)(I), effective for tax. yrs. begin. before 1/1/2005, see above.

(I) single parents and their children and such parents and children are not dependents (as defined in section 152 , determined without regard to subsections (b)(1) , (b)(2) , and (d)(1)(B) thereof) of another individual, or

(II) married and file a joint return.

(E) Owner-occupied buildings having 4 or fewer units eligible for credit where development plan.

(i) In general. Subparagraph (C) shall not apply to the acquisition or rehabilitation of a building pursuant to a development plan of action sponsored by a State or local government or a qualified nonprofit organization (as defined in subsection (h)(5)(C)).

(ii) Limitation on credit. In the case of a building to which clause (i) applies, the applicable fraction shall not exceed 80 percent of the unit fraction.

(iii) Certain unrented units treated as owner-occupied. In the case of a building to which clause (i) applies, any unit which is not rented for 90 days or more shall be treated as occupied by the owner of the building as of the 1st day it is not rented.

(4) New building.
The term “new building” means a building the original use of which begins with the taxpayer.

(5) Existing building.
The term “existing building” means any building which is not a new building.

(6) Application to estates and trusts.
In the case of an estate or trust, the amount of the credit determined under subsection (a) and any increase in tax under subsection (j) shall be apportioned between the estate or trust and the beneficiaries on the basis of the income of the estate or trust allocable to each.

(7) Impact of tenant's right of 1st refusal to acquire property.

(A) In general. No Federal income tax benefit shall fail to be allowable to the taxpayer with respect to any qualified low-income building merely by reason of a right of 1st refusal held by the tenants (in cooperative form or otherwise) or resident management corporation of such building or by a qualified nonprofit organization (as defined in subsection (h)(5)(C)) or government agency to purchase the property after the close of the compliance period for a price which is not less than the minimum purchase price determined under subparagraph (B) .

(B) Minimum purchase price. For purposes of subparagraph (A) , the minimum purchase price under this subparagraph is an amount equal to the sum of—

(i) the principal amount of outstanding indebtedness secured by the building (other than indebtedness incurred within the 5-year period ending on the date of the sale to the tenants), and

(ii) all Federal, State, and local taxes attributable to such sale.

Except in the case of Federal income taxes, there shall not be taken into account under clause (ii) any additional tax attributable to the application of clause (ii) .

(j) Recapture of credit.

(1) In general.
If—

(A) as of the close of any taxable year in the compliance period, the amount of the qualified basis of any building with respect to the taxpayer is less than

(B) the amount of such basis as of the close of the preceding taxable year, then the taxpayer's tax under this chapter for the taxable year shall be increased by the credit recapture amount.

(2) Credit recapture amount.
For purposes of paragraph (1) , the credit recapture amount is an amount equal to the sum of—

(A) the aggregate decrease in the credits allowed to the taxpayer under section 38 for all prior taxable years which would have resulted if the accelerated portion of the credit allowable by reason of this section were not allowed for all prior taxable years with respect to the excess of the amount described in paragraph (1)(B) over the amount described in paragraph (1)(A) , plus

(B) interest at the overpayment rate established under section 6621 on the amount determined under subparagraph (A) for each prior taxable year for the period beginning on the due date for filing the return for the prior taxable year involved.

No deduction shall be allowed under this chapter for interest described in subparagraph (B) .

(3) Accelerated portion of credit.
For purposes of paragraph (2) , the accelerated portion of the credit for the prior taxable years with respect to any amount of basis is the excess of—

(A) the aggregate credit allowed by reason of this section (without regard to this subsection) for such years with respect to such basis, over

(B) the aggregate credit which would be allowable by reason of this section for such years with respect to such basis if the aggregate credit which would (but for this subsection) have been allowable for the entire compliance period were allowable ratably over 15 years.

(4) Special rules.

(A) Tax benefit rule. The tax for the taxable year shall be increased under paragraph (1) only with respect to credits allowed by reason

of this section which were used to reduce tax liability. In the case of credits not so used to reduce tax liability, the carryforwards and carrybacks under section 39 shall be appropriately adjusted.

(B) Only basis for which credit allowed taken into account. Qualified basis shall be taken into account under paragraph (1)(B) only to the extent such basis was taken into account in determining the credit under subsection (a) for the preceding taxable year referred to in such paragraph.

(C) No recapture of additional credit allowable by reason of subsection (f)(3) . Paragraph (1) shall apply to a decrease in qualified basis only to the extent such decrease exceeds the amount of qualified basis with respect to which a credit was allowable for the taxable year referred to in paragraph (1)(B) by reason of subsection (f)(3) .

(D) No credits against tax. Any increase in tax under this subsection shall not be treated as a tax imposed by this chapter for purposes of determining the amount of any credit under this chapter.

(E) No recapture by reason of casualty loss. The increase in tax under this subsection shall not apply to a reduction in qualified basis by reason of a casualty loss to the extent such loss is restored by reconstruction or replacement within a reasonable period established by the Secretary.

(F) No recapture where de minimis changes in floor space. The Secretary may provide that the increase in tax under this subsection shall not apply with respect to any building if—

(i) such increase results from a de minimis change in the floor space fraction under subsection (c)(1) , and

(ii) the building is a qualified low-income building after such change.

(5) Certain partnerships treated as the taxpayer.

(A) In general. For purposes of applying this subsection to a partnership to which this paragraph applies—

(i) such partnership shall be treated as the taxpayer to which the credit allowable under subsection (a) was allowed,

(ii) the amount of such credit allowed shall be treated as the amount which would have been allowed to the partnership were such credit allowable to such partnership,

(iii) paragraph (4)(A) shall not apply, and

(iv) the amount of the increase in tax under this subsection for any taxable year shall be allocated among the partners of such partnership in the same manner as such partnership's taxable income for such year is allocated among such partners.

(B) Partnerships to which paragraph applies. This paragraph shall apply to any partnership which has 35 or more partners unless the partnership elects not to have this paragraph apply.

(C) Special rules.

(i) Husband and wife treated as 1 partner. For purposes of subparagraph (B)(i) , a husband and wife (and their estates) shall be treated as 1 partner.

(ii) Election irrevocable. Any election under subparagraph (B) , once made, shall be irrevocable.

(6) No recapture on disposition of building (or interest therein) where bond posted.
In the case of a disposition of a building or an interest therein the taxpayer shall be discharged from liability for any additional tax under this subsection by reason of such disposition if—

(A) the taxpayer furnishes to the Secretary a bond in an amount satisfactory to the Secretary and for the period required by the Secretary, and

(B) it is reasonably expected that such building will continue to be operated as a qualified low-income building for the remaining compliance period with respect to such building.

(k) Application of at-risk rules.
For purposes of this section —

(1) In general.
Except as otherwise provided in this subsection , rules similar to the rules of section 49(a)(*1*) (other than subparagraphs (D)(ii)(II) and (D)(iv)(I) thereof), section 49(a)(2) , and section 49(b)(1) shall apply in determining

the qualified basis of any building in the same manner as such sections apply in determining the credit base of property.

(2) Special rules for determining qualified person.
For purposes of paragraph (1) —

(A) In general. If the requirements of subparagraphs (B) , (C) , and (D) are met with respect to any financing borrowed from a qualified nonprofit organization (as defined in subsection (h)(5)), the determination of whether such financing is qualified commercial financing with respect to any qualified low-income building shall be made without regard to whether such organization—

(i) is actively and regularly engaged in the business of lending money, or

(ii) is a person described in section 49(a)(1)(D)(iv)(II) .

(B) Financing secured by property. The requirements of this subparagraph are met with respect to any financing if such financing is secured by the qualified low-income building, except that this subparagraph shall not apply in the case of a federally assisted building described in subsection (d)(6)(B) if—

(i) a security interest in such building is not permitted by a Federal agency holding or insuring the mortgage secured by such building, and

(ii) the proceeds from the financing (if any) are applied to acquire or improve such building.

(C) Portion of building attributable to financing. The requirements of this subparagraph are met with respect to any financing for any taxable year in the compliance period if, as of the close of such taxable year, not more than 60 percent of the eligible basis of the qualified low-income building is attributable to such financing (reduced by the principal and interest of any governmental financing which is part of a wrap-around mortgage involving such financing).

(D) Repayment of principal and interest. The requirements of this subparagraph are met with respect to any financing if such financing is fully repaid on or before the earliest of—

(i) the date on which such financing matures,

(ii) the 90th day after the close of the compliance period with respect to the qualified low-income building, or

(iii) the date of its refinancing or the sale of the building to which such financing relates.

In the case of a qualified nonprofit organization which is not described in section 49(a)(1)(D)(iv)(II) with respect to a building, clause (ii) of this subparagraph shall be applied as if the date described therein were the 90th day after the earlier of the date the building ceases to be a qualified low-income building or the date which is 15 years after the close of a compliance period with respect thereto.

(3) Present value of financing.
If the rate of interest on any financing described in paragraph (2)(A) is less than the rate which is 1 percentage point below the applicable Federal rate as of the time such financing is incurred, then the qualified basis (to which such financing relates) of the qualified low-income building shall be the present value of the amount of such financing, using as the discount rate such applicable Federal rate. For purposes of the preceding sentence, the rate of interest on any financing shall be determined by treating interest to the extent of government subsidies as not payable.

(4) Failure to fully repay.

(A) In general. To the extent that the requirements of paragraph (2)(D) are not met, then the taxpayer's tax under this chapter for the taxable year in which such failure occurs shall be increased by an amount equal to the applicable portion of the credit under this section with respect to such building, increased by an amount of interest for the period—

(i) beginning with the due date for the filing of the return of tax imposed by chapter 1 for the 1st taxable year for which such credit was allowable, and

(ii) ending with the due date for the taxable year in which such failure occurs,

determined by using the underpayment rate and method under section 6621 .

(B) Applicable portion. For purposes of subparagraph (A) , the term “applicable portion” means the aggregate decrease in the credits allowed to a taxpayer under section 38 for all prior taxable

years which would have resulted if the eligible basis of the building were reduced by the amount of financing which does not meet requirements of paragraph (2)(D) .

(C) Certain rules to apply. Rules similar to the rules of subparagraphs (A) and (D) of subsection (j)(4) shall apply for purposes of this subsection .

(l) Certifications and other reports to secretary.

(1) Certification with respect to 1st year of credit period.
Following the close of the 1st taxable year in the credit period with respect to any qualified low-income building, the taxpayer shall certify to the Secretary (at such time and in such form and in such manner as the Secretary prescribes)—

(A) the taxable year, and calendar year, in which such building was placed in service,

(B) the adjusted basis and eligible basis of such building as of the close of the 1st year of the credit period,

(C) the maximum applicable percentage and qualified basis permitted to be taken into account by the appropriate housing credit agency under subsection (h) ,

(D) the election made under subsection (g) with respect to the qualified low-income housing project of which such building is a part, and

(E) such other information as the Secretary may require.

In the case of a failure to make the certification required by the preceding sentence on the date prescribed therefor, unless it is shown that such failure is due to reasonable cause and not to willful neglect, no credit shall be allowable by reason of subsection (a) with respect to such building for any taxable year ending before such certification is made.

(2) Annual reports to the Secretary.
The Secretary may require taxpayers to submit an information return (at such time and in such form and manner as the Secretary prescribes) for each taxable year setting forth—

(A) the qualified basis for the taxable year of each qualified low-income building of the taxpayer,

(B) the information described in paragraph (1)(C) for the taxable year, and

(C) such other information as the Secretary may require.

The penalty under section 6652(j) shall apply to any failure to submit the return required by the Secretary under the preceding sentence on the date prescribed therefor.

(3) Annual reports from housing credit agencies.
Each agency which allocates any housing credit amount to any building for any calendar year shall submit to the Secretary (at such time and in such manner as the Secretary shall prescribe) an annual report specifying—

(A) the amount of housing credit amount allocated to each building for such year,

(B) sufficient information to identify each such building and the taxpayer with respect thereto, and

(C) such other information as the Secretary may require.

The penalty under section 6652(j) shall apply to any failure to submit the report required by the preceding sentence on the date prescribed therefor.

(m) Responsibilities of housing credit agencies.

(1) Plans for allocation of credit among projects.

(A) In general. Notwithstanding any other provision of this section , the housing credit dollar amount with respect to any building shall be zero unless—

(i) such amount was allocated pursuant to a qualified allocation plan of the housing credit agency which is approved by the governmental unit (in accordance with rules similar to the rules of section 147(f)(2) (other than subparagraph (B)(ii) thereof)) of which such agency is a part,

(ii) such agency notifies the chief executive officer (or the equivalent) of the local jurisdiction within which the building is located of such project and provides such

individual a reasonable opportunity to comment on the project,

(iii) a comprehensive market study of the housing needs of low-income individuals in the area to be served by the project is conducted before the credit allocation is made and at the developer's expense by a disinterested party who is approved by such agency, and

(iv) a written explanation is available to the general public for any allocation of a housing credit dollar amount which is not made in accordance with established priorities and selection criteria of the housing credit agency.

(B) Qualified allocation plan. For purposes of this paragraph , the term “qualified allocation plan” means any plan—

(i) which sets forth selection criteria to be used to determine housing priorities of the housing credit agency which are appropriate to local conditions,

(ii) which also gives preference in allocating housing credit dollar amounts among selected projects to—

(I) projects serving the lowest income tenants,

(II) projects obligated to serve qualified tenants for the longest periods, and

(III) projects which are located in qualified census tracts (as defined in subsection (d)(5)(C)) and the development of which contributes to a concerted community revitalization plan, and

(iii) which provides a procedure that the agency (or an agent or other private contractor of such agency) will follow in monitoring for noncompliance with the provisions of this section and in notifying the Internal Revenue Service of such noncompliance which such agency becomes aware of and in monitoring for noncompliance with habitability standards through regular site visits.

(C) Certain selection criteria must be used. The selection criteria set forth in a qualified allocation plan must include—

(i) project location,

(ii) housing needs characteristics,

(iii) project characteristics, including whether the project includes the use of existing housing as part of a community revitalization plan,

(iv) sponsor characteristics,

(v) tenant populations with special housing needs,

(vi) public housing waiting lists,

(vii) tenant populations of individuals with children, and

(viii) projects intended for eventual tenant ownership.

(D) Application to bond financed projects. Subsection (h)(4) shall not apply to any project unless the project satisfies the requirements for allocation of a housing credit dollar amount under the qualified allocation plan applicable to the area in which the project is located.

(2) Credit allocated to building not to exceed amount necessary to assure project feasibility.

(A) In general. The housing credit dollar amount allocated to a project shall not exceed the amount the housing credit agency determines is necessary for the financial feasibility of the project and its viability as a qualified low-income housing project throughout the credit period.

(B) Agency evaluation. In making the determination under subparagraph (A) , the housing credit agency shall consider—

(i) the sources and uses of funds and the total financing planned for the project,

(ii) any proceeds or receipts expected to be generated by reason of tax benefits,

(iii) the percentage of the housing credit dollar amount used for project costs other than the cost of intermediaries, and

(iv) the reasonableness of the developmental and operational costs of the project.

Clause (iii) shall not be applied so as to impede the development of projects in hard-to-develop areas. Such a determination shall not be construed to be a representation or warranty as to the feasibility or viability of the project.

(C) Determination made-when credit amount applied for and when building placed in service.

(i) In general. A determination under subparagraph (A) shall be made as of each of the following times:

(I) The application for the housing credit dollar amount.

(II) The allocation of the housing credit dollar amount.

(III) The date the building is placed in service.

(ii) Certification as to amount of other subsidies. Prior to each determination under clause (i) , the taxpayer shall certify to the housing credit agency the full extent of all Federal, State, and local subsidies which apply (or which the taxpayer expects to apply) with respect to the building.

(D) Application to bond financed projects. Subsection (h)(4) shall not apply to any project unless the governmental unit which issued the bonds (or on behalf of which the bonds were issued) makes a determination under rules similar to the rules of subparagraphs (A) and (B) .

(n) Regulations.
The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section , including regulations—

(1) dealing with—

(A) projects which include more than 1 building or only a portion of a building,

(B) buildings which are placed in service in portions,

(2) providing for the application of this section to short taxable years,

(3) preventing the avoidance of the rules of this section , and

(4) providing the opportunity for housing credit agencies to correct administrative errors and omissions with respect to allocations and record keeping within a reasonable period after their discovery, taking into account the availability of regulations and other administrative guidance from the Secretary.

OHFA
CHAPTER 36
PROGRAM
RULES
(effective 1-1-2012)

TITLE 330. OKLAHOMA HOUSING FINANCE AGENCY
CHAPTER 36. AFFORDABLE HOUSING TAX CREDIT PROGRAM

SUBCHAPTER 1. GENERAL PROVISIONS

330:36-1-1. Purpose

The purpose of the Oklahoma Affordable Housing Tax Credit ("OAHTC") Program is to expand the supply of new affordable rental units and rehabilitate existing rental housing for Qualifying Households by stimulating private investment.

330:36-1-2.1. Authority

The federal Tax Reform Act of 1986 ("Act") and Section 42 of the Code authorize the Credits. Oklahoma Housing Finance Agency ("OHFA") has been designated by the Governor as the State's allocating agency for purposes of administering the OAHTC Program.

330:36-1-3.2. Scope

During each program year, Tax Credit Allocations (TCAs) will be made available to eligible entities for the purpose of implementing specific projects that further the stated purpose of the OAHTC Program. Eligible entities include, but are not limited to, for-profit developers, non-profits, public agencies, Native American Tribes, private developers, and local governments.

330:36-1-4. Definitions

The following words and terms, when used in this Chapter, shall have the following meanings unless the context clearly indicates otherwise. Additional capitalized terms used in these Chapter 36 Rules are defined in the Code and these Chapter 36 Rules. When a conflict exists between the following definitions and the Code the more restrictive meaning shall be applied.

"Affiliate" means any Person that directly or indirectly through one (1) or more intermediaries, Controls, is Controlled By, or is Under Common Control With any other Person.

"Allocation" means the maximum amount of TCAs available to the Development as a result of the approval of an award by the Trustees. The Credit shall be apportioned to each Qualified Building at the time such Qualified Building is Placed-In-Service.

"Applicable Fraction" means the fraction used to determine the qualified basis of a qualified low-income Building which is the smaller of the Unit Fraction or the Floor Space Fraction.

"Applicant" means any individual, Nonprofit Sponsored Development, Nonprofit organization or profit-motivated individual, corporation, general or limited partnership, limited liability company or other legal entity which has submitted an Application to OHFA for a Credit Reservation and Allocation, and its successors in interest. "Applicant" includes the Owner and

Owner's predecessor in interest, if any, and includes any successor in interest, Transferee, of all or any portion of the Development, and the heirs, executors, administrators, devisees, successors and assigns of any purchaser, grantee, Transferee, Owner or lessee (other than a Resident) of all or any portion of the Development, and any other Person or entity having any right, title, or interest in the Development.

"Application" means an Application in the form prescribed by OHFA, from time to time, in the Application Packet (AP), including all exhibits and other materials filed by an Applicant with OHFA in support of or in connection with the formal request by the Applicant requesting a TCA.

"Application Packet" (referred to in these Rules as the "AP") means the Application in the form prescribed by OHFA annually, together with instructions and such other materials provided by OHFA to any Person requesting the same for the purpose of seeking to obtain from OHFA a TCA. OHFA will solicit formal public input on the Application Packet, and provide explanation of any significant changes. Staff will present the following year's proposed AP to the Trustees for approval at a Trustees meeting. The AP may include definitive statements of what shall constitute Threshold Criteria, Selection Criteria, priorities, preferences, and compliance and monitoring requirements as may be authorized by or provided for in the Code and these Rules, and may include the necessary forms, instructions and requirements for Applications, environmental assessments, market studies, Commitments, extensions, Carryover Allocations, Agreements, Elections, set-asides, OHFA staff evaluation criteria for Threshold Criteria and Selection Criteria, final ranking, Credit amounts, tax-exempt bond financed projects, compliance monitoring, and other matters deemed by Trustees, in their complete discretion, to be relevant to the process of evaluation of Applications and the Applicants in connection with the award or denial of TCAs.

"Area Median Gross Income" means the median Gross Income adjusted for household size, for the county or counties where each Building in a Development is located as determined and published annually by HUD.

"Building" means a residential rental property containing residential Housing Units located on the Land and included in the Development. For purposes of the Credit Program, each Building is identified by its Building Identification Number (BIN) assigned by OHFA and its street address assigned by the United States Postal Service. The BIN shall control for Tax Credit purposes. In the event more than one Building is located on the Land, each Building must be identified in the manner required by Code Section 42(g) to be treated as part of the Development. Any Allocation of Credit shall be effective only for the Building(s) identified in a Carryover Allocation Agreement, if applicable, or in Exhibit "A" to the Regulatory Agreement.

"Capital Needs Assessment" (CNA) means a qualified professional's opinion of a property's current physical condition determined after a physical inspection of the interior and

exterior of the units and structures as set out in the annual AP.

"Carryover Allocation" means, an Allocation which is made with respect to a Building or Development pursuant to Code Section 42(h)(1)(E) and/or Code Section 42(h)(1)(F), as the case may be, and in conformance with IRS Notice 89-1 and Treasury Regulation Section 1.42-6.

"Carryover Allocation Agreement" means the contract between Owner and OHFA, authorized and approved by the Trustees. A Carryover Allocation is made pursuant to Code Section 42(h)(1)(E) and/or Code Section 42(h)(1)(F), IRS Notice 89-1 and Treasury Regulation Section 1.42-6.

"Certifications" means the representations made under penalties of perjury by the Applicant, Owner, each Developer, each partner or general partner, party to a joint venture, and/or Resident, as applicable, including but not limited to those representations and Certifications set forth in the Applications and the Regulatory Agreement and Exhibits. Certifications also mean any and all representations made under penalties of perjury with respect to the Development at any time from the date of submission of the Application and throughout the Development Compliance Period.

"Code" means the Internal Revenue Code of 1986, as amended, and in effect at the date of the Regulatory Agreement, together with applicable rules and regulations, revenue rulings, guidelines, releases, pronouncements, notices or procedures promulgated thereunder or referred to therein or in the applicable rules and regulations.

"Commitment" means a representation or agreement of the Owner/Applicant contained in the Application, or otherwise, which in all cases shall be irrevocable and binding upon Owner/Applicant and its Transferees and successors in interest throughout the Development Compliance Period, unless otherwise noted in the Regulatory Agreement, these Rules, the Application, or any other agreements entered into by Owner/Applicant with OHFA in connection with the Credit Program.

"Compliance Period" means with respect to any Qualified Building, the continuous fifteen (15) year period over which the Qualified Building must satisfy all requirements of the Code and the Credit Program. The Compliance Period begins with the first year of the Credit Period.

"Consultant" means any Person (which is not an Affiliate of an Owner of the Development) that provides professional or expert services relating to an Application, a Development, or any activities pertaining to the filing of an Application, the award of a TCA, the Carryover Allocation, or cost Certification documents filings with OHFA.

"Control" (including the terms "Controls", "Controlling", "Controlled By", and/or "Under Common Control With") means the possession, directly or indirectly, of the power to direct or cause the direction or the management and policies or any other Person, whether through an ownership interest in the other Person, by contract, agreement, understanding, designation, office or position held in or with the other Person or in or with

any other Person, or by coercion, or otherwise.

"Credit" (including the terms Tax Credit and Low-Income Housing Tax Credit) means the Low-Income Housing Tax Credit available for federal income tax purposes under Code Section 42 for a Qualified Building.

"Credit Period" means the ten (10) year period over which the Credit may be claimed for a Building. The Credit Period begins when the Building is Placed-In-Service, for Credit purposes, or if the Owner makes an election under Section 42(f)(1)(B) of the Code, the next year; but only if the Building is a qualified low-income Building within the meaning of Code Section 42(c)(2), by the end of the first year of that period. For an existing Building with Rehabilitation Expenditures, the Credit Period shall not begin before the year that the rehabilitation Credit is allowed under Code Section 42(f)(5).

"Credit Program" means OHFA's program for approving Allocations and includes, without limitation, adopting the Qualified Allocation Plan and OHFA's Credit Program Rules, the AP, and all things contemplated therein or appurtenant thereto, including without limitations, monitoring Developments throughout the Extended Use Period and notifying the IRS of the Building's or a Development's failure to comply with Code requirements.

"Credit Reservation" means the reservation of a maximum amount available for Allocation to such Development and apportioned to each Qualified Building therein upon meeting the requirements of the Credit Program and Code Section 42.

"Developer" means the Person or entity with the responsibility of ensuring the effective construction or rehabilitation of the Development, including any and all responsibilities as outlined in the Development Agreement, which may also be the Applicant and/or Owner of the Development. Developer also includes any other Person or organization affiliated with, Controlled by, in Control of or a related party to, the Developer, as determined by OHFA.

"Development" means the Land and one (1) or more Buildings, structures, or other improvements now or hereafter constructed or located upon the Land. If more than one (1) Building is to be part of the Development, each Building must be financed under a common plan and identified in the manner required under Code Section 42(g).

"Development Compliance Period" means the period beginning with the first day the first Building of the Development is Placed-In-Service and continuing thereafter until the latest to end of the following periods for each Building in the Development: (i) the Compliance Period; (ii) the Extended Use Period; or (iii) the "Three Year Period."

"Development Team" means the Applicant, architect, attorney, Consultant, Developer, general contractor, market analyst and/or appraiser, property management company, Owner, tax professional, and the principals of each.

"Drug" for purposes of these OAHTC Program Rules, means "a controlled substance" as that term is defined in Section 102 of the Controlled Substances Act, 21 U.S.C., Section 802.

"Drug-Related Criminal Activity" means the illegal manufacture, sale, distribution, or use of a Drug, or the possession of a Drug with intent to manufacture, sell, distribute or use the Drug.

"Due Date" if a Due Date for submission of documents or fees falls on a weekend or a designated Federal holiday, then the Due Date becomes the next business day.

"Elderly" means a person sixty-two (62) years of age or older. This definition is for consideration for the Elderly set-aside in which one hundred percent (100%) of units are for Elderly as defined in these Chapter 36 Rules.

"Eligible Basis" means generally the depreciable basis in the property.

"Extended Use Period" means the continuous period, a minimum of fifteen (15) years, following the close of the Compliance Period during which a Qualifying Building must satisfy all requirements of the Code and the Credit Program. The Extended Use Period for the Development is set forth on Exhibit "A" to the Regulatory Agreement and may not be revoked or terminated prior to said date except as provided in the Code, these Chapter 36 Rules or in the Regulatory Agreement.

"Floor Space Fraction" means the total floor space of the low-income units in the building divided by the total floor space of all residential units in the building (whether occupied or not).

"Gross Rent" means the rent received for a Low-Income Housing Unit, including utility allowances but excluding (i) any payments under Section 8 or any comparable rental assistance program; (ii) any fees or supportive services (within the meaning of Code Section 42(g)(2)(B); (iii) paid to Owner (on the basis of the low-income status of the Qualified Resident of the Low-Income Unit) by a governmental assistance program or an organization exempt from federal income tax under Code Section 501(c)(3), if such program or organization provides assistance for rent and the amount of assistance provided for rent is not separable from the amount of assistance provided for supportive services; and (iv) rental payments to Owner to the extent an equivalent amount is paid to the Rural Housing Service (RHS) under Section 515 of the Housing Act of 1949. Gross Rent includes the minimum amounts paid toward purchase of a Housing Unit as described in Code Section 42(g)(6). The amount of Gross Rent is determined annually based upon the Area Median Gross Income for the locality in which the Development is located. The annual amount may decrease but such amount will not be reduced below the amount of Gross Rent established in the first year of the Credit Period.

"Hard Construction Costs" means the following types of activities, but not limited to, earthwork/site work, on-site utilities, roads and walks, concrete, masonry, metals, carpentry (rough and finish), moisture protection, doors/windows/glass, insulation, roofing, sheet metal, drywall, tile work, acoustical, flooring, electrical, plumbing, elevators, blinds and shades, appliances, lawns & planting, fence, cabinets, carpets, and heat & ventilation. For calculations of contractor fees, a reasonable contingency can be included.

"Homeless" means (1) lacking a fixed, regular and adequate nighttime residence; and has a primary nighttime residence that is a supervised public or private shelter providing temporary accommodations or a public or private place not ordinarily used as sleeping accommodations for human beings, OR (2) displaced as a result of fleeing violence in the home; and has a temporary residence that is a supervised public or private shelter OR (3) certified by an agency involved in regularly determining Homeless status. OR (4) displaced as a result of a major disaster and receives FEMA assistance. Homeless individuals are considered Homeless for a period of twenty-four (24) months from the date of move-in, according to Section 103 of the Stewart B. McKinney Homeless Assistance Act and 42(i)(3)(B)(iii)(I) of the Code.

"Housing Unit" means a Low-Income Unit and/or Market Rate Unit located in a Building which is available for rent or is rented by Residents. Common Area Units are not included.

"HUD" means the U.S. Department of Housing and Urban Development.

"Income" means the Income of one or more Qualified Residents, as determined in a manner consistent with the methods under HUD's Section 8 Program.

"IRS" means the Internal Revenue Service of the Treasury.

"IRS Form 8609" means the IRS Form entitled "Low Income Housing Credit Certification". The IRS Form 8609 establishes the maximum Credit for a Building.

"IRS Form 8823" means the IRS form entitled "Low-Income Housing Credit Agencies Report of Noncompliance or Building Disposition" issued or to be issued by OHFA with respect to issues of noncompliance with the laws of the IRS and/or the sale or disposition of the Development.

"Land" means the site(s) for each Building in the Development and having the legal description set forth described in the Carryover Allocation Agreement and Exhibit "A" to the Regulatory Agreement.

"Large Development" means a Development with more than sixty (60) units.

"LIHTC Program" means the Credit Program. "LIHTC Program" may be used interchangeably with the term "Credit Program" or "OAHTC Program".

"Low-Income Unit" means a Housing Unit that is both Rent-Restricted and occupied by Qualified Residents, provided that: (i) Housing Unit shall constitute a Low-Income Unit only if it is suitable for occupancy taking into account local health, safety and building codes and it is used other than on a transient basis except in the case of Transitional Housing, all as determined under Code Section 42(i)(3); and (ii) Housing Unit in any Building which has four (4) or fewer Total Housing Units shall not constitute a Low-Income Unit if any Housing Unit in the Building is occupied by an Owner or a related Person [within the meaning of Code Section 42(i)(3)(C)] unless such Building is described in Code Section 42(i)(3)(E).

"Market Rate Unit" means a Housing Unit that does not meet the definition of a Low-Income Unit.

"Minimum Low-Income Housing Set-Aside" means the minimum percent required under Code Section 42(g) of Housing Units in the Development to be both Rent-Restricted and occupied by Qualified Residents, i.e., Residents whose Income is at or below a certain percentage of Area Median Gross Income. For purposes of Code Section 42(g), Owner must have selected either: (i) twenty percent (20%) or more of the Total Housing Units to be Rent-Restricted and occupied by Residents whose Income is at or below fifty percent (50%) percent of the Area Median Gross Income; or (ii) forty percent (40%) or more of the Total Housing Units to be Rent-Restricted and occupied by Residents whose Income is at or below sixty percent (60%) of the Area Median Gross Income as the Minimum Low-Income Housing Set-Aside. The Applicant may, however, have made a Commitment to provide greater percentages of Housing Units that are both Rent-Restricted and occupied by Residents meeting the above Income limitations and/or making Housing Units available to Residents with Income below the above limitations, i.e., an Additional Low-Income Housing Set-Aside. Owner and all Transferees, and successors in interest shall be bound by all Commitments, including the Minimum Low-Income Housing Set-Aside, or Additional Low-Income Housing Set-Aside made in the Regulatory Agreement, or included in the Carryover Agreement or any of the Resolutions of the Trustees respecting the Application, the Development, or Owner.

"National Non-Metro Area Median Income" means as determined and published annually by HUD.

"Nonprofit" means a private Nonprofit organization that is organized under State or local laws; has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual; is neither Controlled By, nor under the direction of, individuals or entities seeking to derive profit or gain from the organization; has a tax exemption from the Internal Revenue Service under section 501(c) (3) or (4) of the Internal Revenue Code of 1986; does not include a public body; has among its purposes the provision of decent housing that is affordable to low-income persons, as evidenced in its charter, articles of incorporation, resolutions or by-laws; and, has at least a one year history of providing affordable housing, and is duly qualified to do business within the State.

"Nonprofit Sponsored Development" means and refers to a proposed Development that has or will have a Nonprofit that has a Controlling interest by reason of an ownership interest in a Person that is or will be the Owner of the subject Development, and has materially participated, or will materially participate (within the meaning of the Code) in the Development and operation of the Development throughout the Compliance Period.

"OAHTC Program" means the Credit Program. "OAHTC Program" may be used interchangeably with the term "LIHTC Program" or "Credit Program".

"OHFA" means Oklahoma Housing Finance Agency a State-beneficiary public trust. OHFA is the allocating agency for the State for purposes of the Credit Program.

"One Year Period (1YP)" means period commencing on the date on

which OHFA and the Owner agree to the Qualified Contract Price in writing and lasting twelve (12) calendar months.

"Owner" means the legal Owner of record of the Development, as set forth on page one of the Regulatory Agreement, and any and all successor(s) in interest. Owner also means any other Person or entity having or acquiring any right, title, or interest in the Development.

"Person" means, without limitation, any natural person, corporation, partnership, limited partnership, joint venture, limited liability company, limited liability partnership, trust, estate, association, cooperative, government, political subdivision, agency or instrumentality, Community Housing Development Organization (CHDO), interlocal cooperative, or other organization of any nature whatsoever, and shall include any two or more Persons acting in concert toward a common goal.

"Placed-In-Service" means: (i) the date on which a new Building or existing Building used as residential rental property is ready and available for its specifically assigned function as evidenced by a certificate of occupancy or the equivalent; or (ii) for Rehabilitation Expenditures that are treated as a separate new Building, any twenty-four (24) month period over which such Rehabilitation Expenditures are aggregated.

"Program Rules" means the various written criteria, requirement, rules, and policies adopted from time to time by the Trustees as the State's Qualified Allocation Plan to administer the Credit Program and to provide for Allocations. The Program Rules must be followed by any participant in the Program. The Program Rules may include requirements that are more stringent than those under Code Section 42.

"Qualified Allocation Plan (QAP)" means these Chapter 36 Rules plus the Application Packet (AP) as defined and other materials provided by OHFA. The deadline for all informal input sessions and the formal public hearing for changes in the QAP will be published by OHFA Staff.

"Qualified Building" means a Building which meets the terms, conditions, obligations, and restrictions of the Program Rules, Carryover Allocation Agreement, Regulatory Agreement, Resolutions of the Trustees respecting Owner or the Development, and Code Section 42(c)(2) for an Allocation and the issuance by OHFA of IRS Form 8609.

"Qualified Contract" means a bona fide contract to acquire the portion of a Building which is not Rent-Restricted for fair market value and the portion of the Building which is Rent-Restricted for an amount not less than the Applicable Fraction for the Building or the sum of: (i) the portion of outstanding indebtedness secured by, or with respect to the Building which is allocable to such Building; (ii) adjusted investor equity in the Building; and (iii) other capital contributions invested in the Building but not reflected in the amounts described in (i) or (ii) above; reduced by cash distributed from the Development or available for distribution from the Development; provided that in all cases, the purchase price for the Building required for a contract to be a Qualified Contract shall be determined in a manner consistent with

the requirements of Code Section 42(h)(6)(F), or such other regulations as prescribed by the Code to carry out this section.

"Qualified Contract Application (QCA)" means an Application containing all information and items required by the OHFA to process a request for a Qualified Contract.

"Qualified Contract Preliminary Application (QCPA)" means a request containing all information and items necessary for OHFA to determine the eligibility of an Owner to submit a Qualified Contract Application.

"Qualified Contract Price (QCP)" means calculated purchase price of the Development as defined within §42(h)(6)(F) of the Code and as further delineated in Chapter 36 Rules.

"Qualified Development" means a Development or Residential Rental Property where an Applicable Percentage or more of the Housing Units are both Rent-Restricted and occupied by Residents whose Income is at or below the level selected as the Minimum Low Income Housing Set Aside.

"Qualifying Households" means households whose annual Incomes do not exceed the elected area median family income set-aside required in the code.

"Regulatory Agreement" means the written and recorded agreement between a recipient of a TCA and the allocating agency, OHFA, placing restrictive covenants upon the Development and the underlying Land for a term of not less than thirty years (30) years, or such other term as may be required from time to time by provisions of the AP, these OAHTC Rules and Section 42 of the Code and the federal rules and regulations promulgated thereunder and containing other restrictions, covenants, warranties and agreements required by State, federal or local law and these OAHTC Rules.

"Rehabilitation Expenditures" means amounts that are capitalized and incurred for the addition to or improvement of an Existing Building of a character subject to the allowance for depreciation under Section 167 of the Code. However, it does not include the costs of acquiring a Building or an interest in it, for example, any Developer Fee properly allocated in acquiring a Building or any other soft costs or any amount not permitted to be taken into account under Section 42(d)(3) or Section 42(d)(4) of the Code.

"Rent-Restricted" means that the Gross Rent with respect to a Low-Income Unit does not exceed thirty percent (30%) of the Income limitations for Qualified Residents adjusted by the Imputed Household Size, subject to the exception set forth in Code Section 42(g)(2)(E) (relating to certain Housing Units for which federal rental assistance decreases as Resident Income increases).

"Resident" means an individual or group of individuals (other than an Owner) residing in a Housing Unit.

"Resolution" means an official action of the Trustees and may include all Resolutions adopted by the Trustees with respect to a Development.

"Review Report" means the Threshold Criteria Review and Selection Criteria Review containing the results of OHFA’s review of the Application and scoring of the Application. There are preliminary and final versions of the Review Report for each

Application.

"Rural Area" means any city, town, village, area or place generally considered rural by the Secretary of Agriculture (RHS) for rural housing programs. Verification will be obtained by OHFA staff.

"Rural Development" means a Development that is, or will be located within a Rural Area. RHS 538 only projects are not eligible for the Rural 515 set-aside, but may qualify under other set-asides.

"Section 8" means Section 8(c)(2)(A) of the United States Housing Act of 1937, as amended.

"Selection Criteria" means the evaluation criteria, over and above the Threshold Criteria, set out in the annual AP, which shall be established and may be changed by OHFA from time to time in the annual AP (using the priorities for the State as they are established from time to time under and pursuant to these Rules and the annual AP), to determine the Development's qualifications, and which are the basis for ranking Applications and establishing a relative level of acceptability for consideration under the Rules and the annual AP for the possibility of the award of a TCA by OHFA. Although the Selection Criteria may be given substantial weight by the Trustees in deciding whether or not a particular Application and Applicant shall be awarded a TCA, the Trustees reserve the right to take into consideration such other factors as they, in their complete discretion, deem appropriate.

"Site Control" means the exercise of dominion or Control over the property through the execution of a purchase, sale, or long-term lease agreement (with a lease term that exceeds the Extended Use Period), receipt of a deed or conveyance of the Land where the Development will be located, or an option to purchase the property (where the option is not revocable on the part of the seller). OHFA alone will decide if an Applicant or Owner has obtained Site Control.

"Special Needs" means such targeted populations as may be designated from time to time in the annual AP by official action of the Trustees, which designations may include, but are not necessarily limited to, the Homeless, the Elderly, persons with mental and physical disabilities and/or disabled persons.

"State" means the State of Oklahoma.

"Tax Credit Allocation (TCA)" means a federal Low-Income Tax Credit Allocation by OHFA to a Development Owner pursuant to Section 42 of the Code, QAP, and formal action by the Trustees.

"Three-Year Period" for a Building means the three (3) year period following: (a) the date of acquisition of such Building by foreclosure or forfeiture under a deed of trust, mortgage or real estate contract or by deed in lieu of foreclosure; or (b) the end of the Extended Use Period, or (c) in the case of the release of the affordability restriction due to the failure of OHFA to present a QC before the expiration of the One Year Period, the recording of a Release of Regulatory Agreement by OHFA. During the Three-Year Period the Owner may not evict or terminate a tenancy of an existing tenant of any Low-Income Unit except for good cause. During the Three-Year Period the Owner may not

increase the Gross Rent with respect to any Low-Income Unit except as permitted under Section 42 of the Code.

"Threshold Criteria" means the criteria set out herein and in the annual AP, which shall be established and may be changed by OHFA from time to time in the annual AP, to determine the qualifications of the Applicant and the Owner and the Proposed Development, presented in each Application that are the minimum level of acceptability for consideration under the Rules and the annual AP for the possibility of the award of a TCA by OHFA. Failure to satisfy all Threshold Criteria set out in the annual AP may result in the disqualification of the Application for further consideration, and may require no further action by OHFA Staff except to notify the Applicant of the disqualification.

"Total Development Costs" means the total costs incurred in acquiring and developing the Development as set forth in the proposed budget for the Development included in the Application. Total Development Costs will be certified by an independent certified public accountant's Certification of sources and uses of funds at times prescribed by OHFA.

"Transfer" means any sale, Transfer, merger, consolidation, liquidation, contribution, assignment, exchange or other change in all or part of Ownership of the Land and/or Development or any Building which is a part thereof, whether voluntary or involuntary, and also includes: a Transfer, sale, contribution or assignment by the Applicant, Owner or Developer of all or any part of its rights, title or interest in the Application, Carryover Allocation Agreement, Credit, Land, Building and/or Development to another party; or a withdrawal, change or addition of any partner to a general partnership, general partner of a limited partnership, any party to a joint venture or the manager of a limited liability company.

"Transferee" means any and all successor(s) in interest of Owner and any other Person or entity having or acquiring any right, title, or interest in the Development.

"Transitional Housing" for purposes of these OAHTC Program Rules means Transitional Housing for the Homeless which meets the requirements of Code Section 42(i)(3)(B)(iii)

"Treasury" means the United States Department of the Treasury.

"Trustees" means the Board of Trustees of OHFA.

"Unit Fraction" means the fraction of a Building devoted to low-income housing, the numerator of which is the number of Low-Income Housing Units in the Building, and the denominator of which is the number of Total Housing Units, whether or not occupied, in the Building.

"Violent Criminal Activity" means any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage.

330:36-1-7. National standards incorporated by reference

(a) The national standards for development of the OAHTC Program are hereby incorporated by reference, including Code Section 42 and all federal regulations, promulgated thereunder, including,

but not limited to, 26 CFR Sections 1.42-5, 1.42-6, 1.42-11, 1.42-13 and 1.42-17.
(b) Copies of Code Section 42 and applicable federal regulations may be obtained from OHFA, during regular business hours Monday through Friday 8:00 a.m. to 4:45 p.m., excluding legal holidays. They can also be accessed at www.ohfa.org.

330:36-1-9. Regulatory Agreement/Compliance Manual/Compliance with Applicable Laws
(a) **Regulatory Agreement.** TCA recipients must enter into a written Regulatory Agreement with OHFA. Requirements, procedures, and processes provided in the applicable Regulatory Agreement and amendments to it shall apply to Developments and the Owner(s) thereof.
(b) **Compliance Manual.** OHFA shall provide each Owner upon request with a Compliance Manual at a cost sufficient to defray the cost of production. The Compliance Manual will also be available on OHFA's website at www.ohfa.org.
(c) **Compliance with Applicable Laws.** The Applicant, the Development, the Owner(s) of the Development, the Development Team and the Affiliates of each must comply with all applicable federal, State and local laws, rules, regulations and ordinances, including but not limited to, Code Section 42, and regulations promulgated thereunder, the Oklahoma Landlord Tenant Act, the Titles VI and VII of the Civil Rights Act of 1964, as amended and Title VIII of the Civil Rights Act of 1968, as amended. Neither the Applicant, the Owner(s) of a Development, the Development Team nor the Affiliates of each shall discriminate on the basis of race, creed, religion, national origin, ethnic background, age, sex, familial status or disability in the lease, use or occupancy of the Development or in connection with the employment or application for employment of persons for the operation and/or management of any Development. The Owner(s) of a Development will be required to covenant and agree in the Regulatory Agreement to comply fully with the requirements of the Fair Housing Act as it may from time to time be amended, for the time period as promised in the Application.

330:36-1-11. Technical assistance
OHFA will, from time to time, provide OAHTC Program technical assistance regarding the Code, these Rules, the AP and their implementation and proposed Development concepts.

SUBCHAPTER 2. ALLOCATION PROCEDURES

330:36-2-1. TCAs distribution
(a) OAHTCs allocated annually to the State by the IRS shall be awarded to Applicants selected through a formal Application process governed by the Qualified Allocation Plan (QAP).
(b) TCAs will be awarded according to the Act, Code, these Chapter 36 Rules, the annual AP, and at the discretion of the Trustees, by their formal action, giving consideration to Staff recommendation

following a thorough review and financial feasibility analysis.
(c) The Trustees reserve the right, to consider and make an award of TCAs at any time as the Trustees, in their sole discretion, deem such award appropriate under the circumstances and facts presented to them. Approval of such an award shall be at a regularly scheduled or special meeting of the Trustees and shall be made by formal action, giving consideration to Staff review and recommendations.
(d) The AP shall be made available to parties considering the filing of an Application and interested parties upon request. The AP can be accessed at OHFA's website, www.ohfa.org.

330:36-2-2. Additional Credits
(a) Guidelines for Applications for additional Credits will be established in the annual AP. Limitations may be placed on types of Developments, amount of additional Credits, or type of Applications.
(b) The timing of acceptance of Applications for additional Credits will also be established in the annual AP.

330:36-2-3. Set-aside categories for TCAs
(a) The annual allocation of OAHTC Program tax Credits made available to the State shall be divided into various set-aside categories, including but not necessarily limited to, specific set-aside categories of Nonprofits, Rural 515, Other Rural, Elderly, and such other categories as the Trustees, in their complete discretion, may adopt from time to time for inclusion in the annual AP. Nonprofits competing in the Nonprofit set-aside must comply with the definition of Nonprofit Sponsored Development in these Chapter 36 Rules.
(b) Specific set-aside categories and amounts for each category may be determined from time to time by formal action of the Trustees and shall be set out in the annual AP. The Trustees may, in their sole discretion, modify the amount of the State's annual allocation of Credits devoted to any set-aside, if they determine that the housing needs of the State so warrant, except for the maximum ninety percent (90%) allocation limitation to those other than Nonprofits as required by the Code.

330:36-2-5. Geographic Allocation of TCAs
OHFA's jurisdiction for location of Developments shall be the entire State of Oklahoma, and, subject to the priorities established from time to time in the annual AP, OHFA may make awards of TCAs throughout the State.

330:36-2-7. Award amounts
(a) The maximum TCA for any one Development proposal shall be established in the AP.
(b) TCAs may be for amounts less than applied for based upon OHFA's financial and feasibility analyses. In order to make the most efficient, equitable and practicable utilization of the State's tax Credit allocation, the Trustees of OHFA may approve, giving consideration to the recommendations of OHFA's staff, the

utilization of funding from other housing programs administered by OHFA which may also result in a decrease in the amount of the TCA approved.

330:36-2-9. Reallocation of additional tax Credits

(a) Annually, additional tax Credits may become available for the award of TCAs as the result of:

(1) Development cancellations;
(2) Developments completed under original cost estimates;
(3) Credits Allocated but not utilized; or,
(4) Other circumstances.

(b) In keeping with the annual AP, OHFA may award TCAs based on the amount of Credits available, in the calendar year any such Credits first become available.

(c) The Trustees reserve the right, to consider Allocations of TCAs outside the established reservation period(s) for a given calendar year. The Trustees, in their sole discretion, reserve the right to approve such an Allocation of TCAs, provided the facts presented to them demonstrate a special circumstance or need and said Allocation promotes the development of residential use housing within the State. Provided however, the Trustees also reserve the right to deny any request for an Allocation of TCAs made outside the established reservation period(s) for a given calendar year. Consideration of all Allocations of TCAs shall be made at a regularly scheduled or special meeting of the Trustees and shall be made by formal action, giving consideration to Staff review and recommendations.

(d) All Credits not awarded in any calendar year shall be carried over for use in the next calendar year, in accordance with the provisions of the Code, these Rules, the annual AP and/or the formal action of the Trustees.

330:36-2-11. OHFA Development notification

(a) OHFA shall, within fifteen (15) business days of receipt of an Application, and not less than thirty (30) calendar days prior to the Trustees consideration thereof, notify, in writing, by certified mail or other form of traceable delivery system to provide proof of transmission and receipt, the Mayor or highest elected official, or if neither of the aforementioned exist, the Chief Executive Officer of each Local Governing Body of the jurisdiction within which the proposed Development is located at the time of Application and the legislators who are entitled to such Notice, regarding the characteristics of the proposed Development located within their jurisdiction/district. All comments received from said Mayor or highest elected official, or if neither of the aforementioned exist, the Chief Executive Officer and/or legislator(s) during this thirty (30) day comment period will be presented to the Trustees for their consideration when reviewing a request for an Allocation of Credits.

(b) If the Application is considered at a different Trustees meeting than in the notice, this notification requirement is considered to be met.

330:36-2-12. Communications with OHFA during Application Review

(a) **Communications with OHFA Employees.** Following submission of an Application, neither the Applicant, any representative or Affiliate of the Applicant, nor any member of the Development Team shall contact any OHFA employee, concerning the Application or any other Applications filed. OHFA reserves the right, in OHFA's sole discretion, to contact the contact person(s) identified by the Applicant for the purpose of clarifying any matter.

(b) **No Ex Parte Communications with the Board of Trustees of OHFA.** Neither an Applicant, any representative or Affiliate of the Applicant, any member of the Development Team, nor members of the public shall communicate, directly or indirectly, with the Trustees regarding an Application under consideration by OHFA except upon notice and opportunity for all parties to participate. Applicants and others who wish to communicate with the Trustees must follow the specific steps as set forth in 330:36-2-13.1.

(c) **Preliminary Review Report.** Following the release of the preliminary Review Report, the Applicant may submit questions or request clarification concerning the preliminary Review Report. All such questions or inquiries must be in writing, addressed to the Staff member designated in the cover letter accompanying the preliminary Review Report. These questions may be submitted electronically. OHFA reserves the right to grant or deny requests for meetings with the Staff of OHFA at any time during the Application process. Any and all requests must be in writing.

(d) **Final Review Report.** Upon issuance of the final Review Report by OHFA, communications with OHFA shall be made in the manner and time set forth in 330:36-2-13.

(e) **Noncompliance.** Failure to comply with this subsection 330:36-2-12 may result in termination of the review process and denial of the Application.

330:36-2-13. Preliminary Review Reports

(a) Upon completion of its review of all Applications, OHFA will forward OHFA's preliminary Review Report to the contact person identified by the Applicant in the Application. OHFA will mail the Review Report by certified mail with return receipt requested or other form of traceable delivery system to provide proof of transmission and receipt.

(b) The Applicant must provide OHFA with any information requested by OHFA in the preliminary Review Report or other clarifying information by the deadline given in the cover letter accompanying the preliminary Review Report. Neither the Staff nor the Trustees will be required to consider a late response to the preliminary Review Report.

(c) In the event the Applicant disputes any matter contained in the preliminary Review Report, including without limitation any finding, determination, recommendation or scoring by OHFA, the Applicant's response to the Review Report must identify with specificity the disputed matter, finding, determination,

recommendation, scoring, etc, and the Applicant's reason for disputing same, including any evidence which controverts the Review Report. Any applicable statutes, rules, regulations or ordinances should be cited. Documentary evidence should be attached.
(d) Failure to respond or dispute a finding or determination in the preliminary Review Report shall be deemed the acceptance of the finding or determination by the Applicant.
(e) The Applicant’s response to the preliminary Review Report must be in writing. Electronically transmitted responses, including fax and e-mail transmissions, are not permitted and will not be reviewed. Applicants are encouraged to use certified mail, Federal Express or another carrier providing proof of timely delivery to OHFA.

330:36-2-13.1 Final Review Report.
(a) The Staff of OHFA will consider the Applicant’s response to the preliminary Review Report prior to issuing the final Review Report and making its recommendations to the Trustees. The Applicant will be informed of Staff’s recommendations prior to the meeting of the Trustees where the Application is being considered. OHFA will mail a copy of the final Review Report and Staff’s recommendations by certified mail with return receipt requested or other form of traceable delivery system to provide proof of transmission and receipt.
(b) The final Review Report may be adopted by the Trustees, including Staff’s recommendations and exclusion of any additional documentation proffered by the Applicant for consideration of the Application by the Trustees.
(c) In the event the Applicant disputes any matter contained in the final Review Report, Applicants must file ten (10) copies of any response(s) to the final Review Report or other information they wish the Trustees to consider not less than forty-eight (48) hours prior to the commencement of the meeting where the Application will be considered. Electronically transmitted responses, including fax and e-mail transmissions, are not permitted and will not be accepted or considered by the Staff or the Trustees.

330:36-2-16. Carryover Allocations
(a) **Code reference.** Code Section 42(h)(1)(E) provides that an Allocation may be made to a Qualified Building, as defined by Section 42(h)(1)(E)(ii), which has not yet been Placed-In-Service, provided the Qualified Building is Placed-In-Service not later than the close of the second calendar year following the calendar year of the Allocation.
(b) **Carryover Allocation applications.** Owners must submit a carryover application and required documents at a date specified by OHFA staff. The Owner must satisfy all requirements of the Code and OHFA staff.
(c) **Carryover Allocation basis.** To qualify for a Carryover Allocation, the Owner must demonstrate that the Owner’s basis in the Development, at one (1) calendar year after the date of

Allocation, is more than ten percent (10%) of the Owner's reasonably expected basis in the Development. Developments that fail to meet the ten percent (10%) test will not have a valid Carryover Allocation. The ten percent (10%) test must be certified by the Owner's certified public accountant, in a form acceptable to OHFA. OHFA's determination as to the satisfaction of the ten percent (10%) requirement is not binding upon the IRS and does not constitute a representation by OHFA to the taxpayer or any other party to that effect.

(d) **Carryover Allocation Agreement.** The Owner must submit to OHFA an executed Carryover Allocation Agreement, in a form and at a date specified by OHFA.

(e) **Notification of Placed-In-Service date.** Applicant must notify OHFA within thirty (30) calendar days of the date the Building(s) is/are Placed-In-Service or be subject to loss of any Allocation. Notice will consist of submission of copies of the Certificates of Occupancy for each Building and completion of any and all forms as may be required in the AP.

(f) **Development based Allocation.** An Allocation pursuant to Code Section 42(h)(1)(F) must meet the requirements of Code Section 42(h)(1)(F), all applicable Treasury Regulations, and these Chapter 36 Rules.

330:36-2-17. Final Allocations

(a) **Prior approval.** Applicants must have previously been approved for a Credit Reservation, either in a prior year or previously in the calendar year in which the request is made.

(b) **Deadline for filing.** Owner's request for approval of the Final Allocation must be received by OHFA at such date as OHFA may specify in writing to the Owner. Failure to file a timely Final Allocation accompanied by all required documentation may result in the denial of the Final Allocation and a determination by the Trustees that the Credits have been returned by the Applicant.

(c) **Complete filing.** The Final Allocation must be accompanied by all evidence or documentation required by the Program Rules then in effect, and such other information or documentation which may be requested by OHFA, in its sole discretion, to verify compliance with the Code, the Program Rules and the Resolutions, and to verify the amount of the Final Allocation. A complete and executed Regulatory Agreement in the form provided by OHFA and ready for filing, together with the appropriate fees, including without limitation applicable filing, must be filed with the Final Allocation. The Regulatory Agreement shall contain provisions for regulation and enforcement by OHFA and such additional provisions as may be necessary to assure compliance with Section 42 of the Code or to give effect to the requirements of OHFA.

(d) **Additional requirements.** In addition to the opinions and Certifications of professionals which may be required to be filed with OHFA pursuant to 330:36-2-16 in connection with a request for a Carryover Allocation, prior to making a Final Allocation, OHFA will require:

(1) An audited Certification of the Total Development Costs, and the Eligible Basis and qualified basis of each Building in the Development and the sources and uses of funds for the Development prepared from an independent certified public accountant.

(2) All opinions must be in a form satisfactory to OHFA and must indicate that the professional has made an independent inquiry into the matters contained therein.

(e) **Approval.** Upon receipt of a completed Final Allocation, OHFA will conduct a final feasibility analysis. Approval of the Final Allocation is subject to Owner's continued compliance with the Code, the Program Rules, the Resolutions, all terms and conditions of this Agreement, and Owner's payment of all fees required by the Program Rule.

(f) **Issuance of Form 8609(s).** OHFA will issue IRS Form 8609(s) respecting each such Development (or each Building therein) to the extent required by, and in accordance with, the Code and the Program Rules. No Form 8609(s) shall be issued if OHFA has not received an executed Regulatory Agreement and all Exhibits thereto, applicable fees, and resolution of any issues to OHFA’s satisfaction.

SUBCHAPTER 4. DEVELOPMENT APPLICATIONS AND SELECTION

330:36-4-1. Development Applications

For the purpose of selecting Applicants and Developments for awards of TCAs all Applicants must submit an Application in the form prescribed in the annual AP. The Application shall set forth, in a clear and concise manner, Threshold and Selection Criteria that conform to the Code, these Chapter 36 Rules, QAP, and the annual AP. All Applications submitted to OHFA must contain sufficient information to permit OHFA staff to:

(1) Make a factual determination as to whether, on its face, the Application satisfies each of the applicable Threshold Criteria, including underwriting standards set forth in the annual AP; and

(2) Make a factual determination as to whether, on its face, the Application is to be evaluated under any set-aside category established by the AP; and

(3) Conduct a review, assessment, and evaluation for selection as described in the annual AP.

330:36-4-1.1. Bond financed Developments

(a) Tax-exempt bond Developments financed at least fifty percent (50%) with the proceeds of tax-exempt bonds subject to the private activity bond volume cap are required to comply with all the requirements of these Rules with the exception of the competitive selection process.

(b) Terms of the bond financing must be submitted at time of Application for Tax Credits, and Evidence of the bond financing must be submitted at least ten (10) business days before the Trustees meeting wherein the four percent (4%) Application is to

be considered. Failure to comply with this requirement may result in no tax Credits being allocated.
(c) Code requirements for bond financed Developments must be met in addition to the AHTC requirements, i.e., rental units, rents, student exemptions, Transfers on site, occupancy changes, verification of assets.
(d) Deadlines for the submission of Applications for bond financed Developments will be established in the AP.

330:36-4-2. Selection of Applications for award of TCAs
(a) **General.** For the purpose of selecting Applications for awards of TCAs, OHFA may annually develop Threshold and Selection Criteria that conform to the Code, the OAHTC Program purposes and these Chapter 36 Rules for inclusion in the next year's AP. The number, severity, or value of any one or more of the Threshold or Selection Criteria items may be increased by adoption of an AP for a given year that contains such increased Threshold or Selection Criteria items. However, each AP must contain for any annual AP, criteria to evaluate set-asides and all Threshold and Selection Criteria.
(b) **Minimum Threshold Criteria.** Failure to meet all Threshold Requirements set forth in the AP upon initial submission of the Application may result in the Application being rejected without further review. The Threshold Criteria may include, but are not necessarily limited to the following:
(1) **Notice Requirements.** The provisions of this subsection apply to all Applicants for a TCA, All notice requirements must be satisfied not less than thirty (30) and no more than ninety (90) calendar days prior to submission of an Application. Each Application requires notice. If the Application is considered at a different Trustees meeting than in the notice, this notification requirement is considered to be met.
(A) **Written Notices.** The Applicant must notify, in writing and by certified mail, the local Mayor or highest elected official, or if neither of the aforementioned exist, the Chief Executive Officer of the Local Governing Body, Chairman of the appropriate county commissioners, and state legislators (or their successor) within whose district the Development is located at the time of Application regarding their intent to submit an Application. This written notice shall serve to provide a reasonable opportunity to comment on the Application. All notice requirements must be satisfied not less than thirty (30) and no more than ninety (90) calendar days prior to submission of an Application. Each Application requires notice.
(B) **Additional notice requirements.** If the site for the Development is not located within the specific corporate limits of an incorporated town or city, but is within two (2) miles of an incorporated town(s) or city (ies) limits, Applicant must provide the same notice to each such town(s) and city (ies) as if the site was located within the corporate limits of each such town(s) and city (ies). All

notice requirements must be satisfied not less than thirty (30) and no more than ninety (90) calendar days prior to submission of an Application. Each Application requires notice.

(C) **Publication notice.** Notice of an Applicant's intent to file an Application shall also be published in a newspaper of general circulation in the area wherein the Development will be located. All notice requirements must be satisfied not less than thirty (30) and no more than ninety (90) calendar days prior to submission of an Application. Each Application requires notice. The requirements for the publication notice will be in the annual AP.

(2) **Market analysis.** All Applicants must submit a third party, independent housing market analysis conforming to the Threshold Criteria set forth in the annual AP, demonstrating and documenting the status of the market demand for the type and number of Housing Units proposed to be developed. The market analysis must be prepared no more than twelve (12) months prior to the date Application is filed with OHFA.

(3) **Nonprofit Owners.** Applicants proposing Developments under the Nonprofit set-aside must demonstrate and document that the Nonprofit Owner and/or Nonprofit ownership participant meet the definition of a Nonprofit Sponsored Development as defined in Section 42h(5)(C) of the Code and these Chapter 36 rules at 330:36-1-4. Applicants for Nonprofit set-aside TCAs must demonstrate that the Nonprofit participant:

(A) is at least a minimum of fifty-one percent (51%) co-general partner, co-managing member, or a Controlling stockholder, or can otherwise demonstrate ownership;

(B) will materially participate, on a regular basis, in the planning and construction of the Development, and in the operation and management of the Development throughout the entire Compliance Period pursuant to 26 CFR § 1.469;

(C) has a Board of Directors and Officers that are independent from any for-profit Development partner;

(D) is duly authorized to do business within the State; and

(E) has at least one demonstrable year of affordable housing experience.

(4) **Resolution of local support.** Applicants must provide documentation of official local support for the Development by the jurisdiction within which the proposed Development is located at the time of Application, i.e. the Local Governing Body. The required documentation must be in the form of a resolution duly adopted by the Local Governing Body, and must be in a form that shall be subject to approval by OHFA. If there are any conditions set forth in the resolution of support, OHFA may exercise its discretion to contact the governing body to ascertain the potential impact of the conditions. If a conditional resolution of support is submitted, it may result in a determination that the Application has not met Threshold Criteria.

(5) **Capacity and prior performance.** Each Applicant must demonstrate and document the degree of expertise of Applicant

and Owner in the use of TCAs and the Development, rehabilitation and/or conversion, management and operation of properties related to the type of the proposed Development. Applicants, Owners, and their Affiliates, including all Development Team members, shall be examined in regard to their Placed-In-Service Developments, and the record of compliance performance within Oklahoma and other states in which the Development Team members have developed or are developing affordable housing. Applicants with existing Developments may be ineligible for a TCA where OHFA has or receives notice of uncorrected or repeated instance of nonperformance by Applicant, Owner, or any of their Affiliates, and may include any of their Development Team instances of nonperformance including, but not limited to:

(A) failure to meet and maintain minimum property standards;

(B) failure to meet and maintain any material aspect of a Development as represented in a Development Application;

(C) having been involved in uncured financing defaults, foreclosures, or placement on HUD's list of debarred contractors;

(D) events of material uncorrected noncompliance with any Federal or State assisted housing programs within the prior seven (7) years;

(E) the appointment of a Receiver; conviction on a felony criminal charge; or bankruptcy within the prior seven (7) years;

(F) failure to comply with OHFA's requests for information or documentation on any Development funded or administered by OHFA; or

(G) removal as a general partner.

(6) **Acquisition Credits.** Applicants requesting acquisition Credits must provide an opinion of counsel, in a form satisfactory to OHFA, that the requirements of Code Section 42(d) (2)(B) have been met or a waiver obtained from the IRS. If an existing waiver or waiver to be granted is claimed, a copy of the waiver letter or a copy of the letter indicating a waiver will be granted and is forthcoming must be included in the Applicant's Development proposal.

(7) **Financial feasibility and viability**. Applicants must demonstrate with their financing that there are Commitments to the Development's financial feasibility and viability as a qualified low-income housing Development. Applicant must demonstrate to OHFA's satisfaction that the Applicant has financing Commitments for one hundred percent (100%) of the project's total estimated construction and permanent financing. Commitment letters must include loan amount, interest rate, loan term, debt service coverage ratio (permanent lender), loan amortization period (permanent lender), borrower, loan fees, collateral and conditions precedent to funding. Requirements set out in 36-4-2.1 (b)(c) and (d) are part of the analysis for financial feasibility.

(8) **Readiness to proceed**. Applicants must demonstrate readiness to proceed in a timely manner should they be awarded

a TCA. Factors that may be considered regarding Development readiness may include but not be limited to:

(A) Site Control;
(B) preliminary plans or specifications;
(C) proper zoning for the proposed Development; and
(D) others as defined in the annual AP.

(9) **Public Housing Wait Lists**. Each Application will be analyzed and evaluated as to the extent to which it is demonstrated that the local or State public housing authority documents the presence of a client waiting list for affordable Housing Units in the locale of the proposed Development.

(10) **Capital Needs Assessment.** No Allocations for rehabilitation will be made unless preceded by a Capital Needs Assessment as detailed in the annual AP.

(11) **Development amenities.** Each Application will be analyzed and evaluated as to Commitments made therein for the provision of amenities. Amenities and documentation requirements will be established in the annual AP.

(c) **Selection Criteria.** The Selection Criteria shall be set forth in the annual AP, and may include, but not necessarily be limited to the following:

(1) **Income targeting.** Each Application will be analyzed and evaluated as to the extent to which it is demonstrated therein a Commitment to target lower-income populations. A sliding scale for points will be established in the annual AP.

(2) **Term of affordability.** Each Application will be analyzed on its ability and evaluated as to any Commitments made therein in regard to serving qualified tenants for a period of time longer than the minimum required by the Code. Points will be established in the annual AP.

(3) **Development location and housing characteristics.** Each Application will be analyzed and evaluated as to the geographic location and prevailing market conditions for the proposed Development. Locations and points will be established in the annual AP.

(4) **Development Leverage.** Each Application will be analyzed and evaluated as to the extent to which it results in tangible, cost beneficial investments or contributions to the proposed Development. Points will be established in the annual AP.

(5) **Community Support.** The extent to which local governments and other community partners commit support for a proposed Development will be analyzed. Support must be directly related and of direct value to the proposed project. Eligible evidence of support and points will be established in the annual AP.

(6) **Development Team Experience.** Each Application will be analyzed and evaluated as to the experience of the Applicant and/or the Development Team in owning and successfully operating Developments in the LIHTC Program. Points will be established in the annual AP.

(7) **Management Experience.** Each Application will be analyzed and evaluated as to managing or providing management for Developments in the LIHTC Program. Points will be established in the annual AP. This evaluation will be based on the

experience of the management team members. Changes in management may not occur after the Reservation without the prior written approval of OHFA and the payment of the management Transfer fee.

(8) **Tenant/Special Needs Populations.** Each Application will be analyzed and evaluated as to the extent to which Commitments are made therein to serve Special Needs populations. Points will be established in the annual AP.

(9) **Tenant populations of individuals with children.** Each Application will be analyzed and evaluated as to the extent to which it is demonstrated the Development will provide amenities and a unit mix conducive to families/individuals with children. Points will be established in the annual AP. To be eligible, the market study must indicate a need for family units.

(10) **Tenant ownership.** Points available to Applicants proposing for single family home ownership after the Compliance Period will be established in the annual AP. Applicants must submit a detailed plan which includes projections on maintenance, tenant reserve funds, etc. which will be evaluated for feasibility.

(11) **Preservation of 15 year old affordable housing.** Points and criteria may be established in the AP for the preservation of affordable housing.

(12) **Energy Efficiency of a Development.** Points will be established in the annual AP to encourage energy efficiency of Developments. This may be a separate point category, or it may be combined within another Threshold or Selection category.

(13) **Historic Nature of a Development.** Points will be established in the annual AP regarding the historic nature of Developments. This may be a separate point category, or it may be combined within another Threshold or Selection category.

(14) **Negative Points**. OHFA Staff will deduct points for records of poor performance. Point deductions will be established in the annual AP.

(15) **Tie-breaker.** In case there are Applications with the same final score in any set-aside that will affect funding, a drawing shall occur at the Trustees meeting in which the Applications are being considered for funding. The drawing will conform to the procedures set out in the annual AP.

(d) **OHFA discretion.** Not withstanding the point ranking under the Selection Criteria set forth above under 330:36-4-2(c), the Trustees may in their sole discretion allocate Credits to a project irrespective of its point ranking, if Allocation is:

(1) in compliance with Code Section 42;

(2) in furtherance of the housing goals set forth herein, in the AP or any formally adopted Resolution of the Trustees; and

(3) determined by the Trustees to be in the interests of the citizens of the State.

330:36-4-2.1. General program requirements and limitations

(a) **General. [Reserved]**

(b) **Developer Fee limitations.** The amount of allowable Developer Fees shall be limited to:

(1) **Small Developments.** Developer Fees may not exceed eighteen percent (18%) of the Eligible Basis, excluding the Developer Fees.

(2) **Large Developments.** Developer Fees may not exceed fifteen percent (15%) of the Eligible Basis, excluding the Developer Fees.

(3) OHFA may, in its sole discretion, increase the Developer Fees allowable in order to create special financing incentives to meet a pressing local affordable housing need. All determinations of allowable Developer Fees shall be made in a manner consistent with the Code, IRS regulations and/or any directives of the Internal Revenue Services at the time of Allocation.

(c) **Contractor Fee limitation.** Allowable contractor fees shall be limited to:

(1) **Small Developments**. Total allowable contractor fees may not exceed sixteen percent (16%) of the Hard Construction Costs. Allowable contractor fees are further limited as follows:

(A) general requirements may not exceed six percent (6%) of the Hard Construction Costs;

(B) general overhead may not exceed two percent (2%) of the Hard Construction Costs; and

(C) builders profit may not exceed eight percent (8%) of the Hard Construction Costs.

(2) **Large Developments**. Total allowable contractor fees may not exceed fourteen percent (14%) of the Hard Construction Costs. Allowable contractor fees are further limited as follows:

(A) general requirements may not exceed six percent (6%) of the Hard Construction Costs.

(B) general overhead may not exceed two percent (2%) of the Hard Construction Costs; and

(C) builders profit may not exceed six percent (6%) of the Hard Construction Costs.

(d) **Underwriting standards**.

(1) **Operating and replacement reserves.**

(A) Minimum operating reserves must equal the sum of six months of each:

(i) projected operating expenses

(ii) debt service payments and

(iii)annual replacement reserve payments.

(B) Minimum replacement reserves should equal $250.00 per unit annually for new construction and $300.00 for rehabilitation Developments.

(C) Developer guarantees or letters of credit may be accepted in lieu of operating reserves, at the discretion of OHFA. The Developer must demonstrate financial capacity and liquidity. OHFA will also consider the Developer’s performance record and the number of other guarantees outstanding.

(2) **Debt service coverage.**

(A) Debt service coverage means the ratio of a property's net

operating income to debt service obligations.

(B) The minimum acceptable debt service coverage ratio will be established in the AP.

(3) **Projections.** All projections and pro-formas must contain realistic operating expense and vacancy rate projections consistent with prevailing market conditions.

(4) **Cost limits.** Costs per unit must be realistic and consistent with prevailing market rates. OHFA encourages cost efficient production, but will not give a preference solely for lowest construction costs.

(5) **Minimum Hard Construction Costs per unit for rehabilitations.** No Allocations for rehabilitation will be made unless a minimum of $20,000 in Hard Construction Costs per unit will be expended or at least twenty percent (20%) of Eligible Basis, whichever is greater.

(6) **Buildings designated by OHFA to receive increase in Credit.** OHFA will allow up to one hundred thirty percent (130%) boost for reasons determined and identified in the annual AP.

(e) **Progress reports.** Progress reports must be filed by the Owner beginning with the calendar quarter following the approval of a Reservation Of Credits until the Final Allocation Application is submitted to OHFA. Due Dates are January 10, April 10, July 10 and October 10. The report must contain, at a minimum, the status of site preparation and/or construction, including the percentage of completion of each Building, and costs incurred to date. The report must address any other requirements set forth in a Resolution of the Trustees and/or the Carryover Agreement, or as OHFA may designate. Within thirty (30) calendar days after the Certificate of Occupancy is issued for the last Building in the project, the Owner must notify OHFA and submit a copy of the Permanent Certificate of Occupancy for each Building in the Development. Remedies for violation of these provisions include those denoted at 330:36-6-3, including but not limited to return of Credits.

(f) **Construction time period**. Construction, not including site prep work, must begin within nine (9) months of the last calendar day of the month of the Credit Reservation, unless extended for cause by OHFA. Remedies for violation of these provisions include those denoted at 330:36-6-3, including but not limited to return of Credits.

(g) **Additional requirements.** OHFA may, as it deems necessary in its sole discretion, impose additional requirements or Program limitations on any Applicant, Owner, or Development. Said requirements or limitations may be set forth in a Resolution of the Trustees, in any contract between the Applicant or Owner and OHFA, or in any other document deemed acceptable in OHFA’s sole discretion.

(h) **Timeliness and completeness of filings.** Deadlines for filing Applications will be established in the AP. Should OHFA request additional information, the deadline for filing same with OHFA will be set forth in the letter requesting same. Applicants/Owners must strictly comply with all deadlines and all filings must be complete when filed.

330:36-4-3. Fees

(a) **General.** Application and TCA Fees will be used to support overall OAHTC Program delivery and operation activities. Application fees shall be calculated as follows:

(1) **Application fees.**

(A) for single site or contiguous site Developments consisting of one to four Units, the Application fee shall be $500.00;

(B) for single site or contiguous site Developments consisting of five to fifty Units, the Application fee shall be $1,000.00;

(C) for single site or contiguous site Developments consisting of fifty one to one hundred units, the Application fee shall be $2,000.00;

(D) for single site or contiguous site Developments consisting of over one hundred units, the Application fee shall be $3,000.00;

(E) for scattered sites, the Application fee shall be $500.00 per site, up to a maximum of $3,000.00.

(F) For Nonprofit Sponsored Developments the Application fee shall be $500.00.

(2) **Allocation fee.** A nonrefundable Allocation fee shall be paid in an amount equal to eleven percent (11%) of the total TCA, but in any event not less than $1,000.00. The Allocation fee is due within fourteen (14) calendar days of notification from OHFA of the approval of a TCA. A Carryover Allocation Agreement will not be executed, nor will Form 8609(s) be issued unless this fee has been received by OHFA. Nonpayment may result in revocation of Credits.

(3) **Processing fee.** A processing fee of one percent (1%) of the TCA must accompany the request for a Final Allocation. A service fee of $100.00 must accompany the Request for Final Allocation of Credit. Form 8609(s) will not be issued unless this fee has been received by OHFA.

(4) **Regulatory Agreement filing fee.** An executed Regulatory Agreement must be submitted to OHFA, as part of the request for Final Allocation, and be accompanied by a check payable to the County Clerk of the county or counties in which the Development is located. The check or checks shall be in an amount sufficient to cover the filing fees of the county or counties.

(5) **Compliance monitoring fees**. In addition to the documentation required by OHFA, an annual compliance monitoring fee shall be paid to OHFA. The compliance fee is payable on or before January 28th for each year during the Compliance Period and Extended Use Period subject to annual adjustment. If the Development includes scattered sites, a compliance monitoring fee for each site shall be paid to OHFA. If the compliance fee is not paid within thirty (30) calendar days of the Due Date, then a Late Fee will be assessed. The Late Fee is equal to twenty five percent (25%) of the compliance fee. Failure to remit timely payment of compliance monitoring fees may result in the filing by OHFA of a lien against the Development. The

compliance monitoring fee shall be computed as follows:

(A) For Developments financed by RHS under the Section 515 (and otherwise qualify under the Code) receiving a TCA in 2011 or before where an agreement has been entered into between OHFA and RHS wherein the RHS agrees to provide OHFA with the required information respecting the Income and rent of the tenants in the Development, the fee shall be $240.00 per Development per year, plus 12.00 per OAHTC unit per year within any Building within the Development;

(B) For single site or contiguous site Developments of four units or less, the fee shall be $275.00 per Development per year.

(C) For all other Developments including those financed by RHS under Section 515 receiving a TCA in 2012 or later the fee shall be $375.00 per Development, plus $21.00 per OAHTC unit per year within any Building within the Development.

(6) **Additional monitoring fees.** In the event of noncompliance with the Code or Regulatory Agreement or these Chapter 36 Rules requiring OHFA to conduct an examination of the Owner, any Building within the Development or any documentation to verify correction of said noncompliance, OHFA shall be reimbursed its costs by the Development or Owner for such an examination, including an hourly rate for the OHFA examiner, not to exceed $35.00 per hour, plus any and all actual travel, lodging and per diem expenses of such examiner. Such reimbursement of expenses and costs shall be paid to OHFA within ten (10) calendar days of receipt of OHFA's statement of same.

(7) **Ownership/General Partner Transfer fee.** In the event that the Owner submits a request for approval of a Transfer of Ownership/general partner of the Development or any of the Buildings therein, a fee of three percent (3%) of the amount of annual Tax Credit Allocation, but no less than $2,500.00, shall be imposed to cover OHFA's costs of handling the request. This fee shall accompany the request and shall be nonrefundable.

(8) **Management Transfer fees.** In the event that the Owner submits a request for approval of a Transfer of the management company of the Development, a $500.00 fee per Development shall be imposed to cover OHFA’s costs of handling the request. This fee shall accompany the request and shall be nonrefundable.

(9) **Notice costs.** All costs of copies and postage costs incurred by OHFA in connection with the notification provisions contained in these Chapter 36 Rules at 330:36-2-11, Review Report at 330:36-2-13, and any occasion when OHFA incurs extra postage costs to accommodate the Applicant, must be paid by the Owner/Applicant as prescribed in the annual AP. Failure to do so may result in the rejection of consideration of the Application.

(10) **Copies of Rules.** Copies of these Chapter 36 Rules will be provided at a cost of $10.00 per copy, but can be accessed via OHFA’s website, www.ohfa.org.

(11) **Compliance Workshops.** A cost sufficient to defray the total cost of the presentation will be charged for attendance

at the Compliance Workshop.

(12) **Qualified Contract fees.** Submission deadlines for these fees will be established in the Qualified Contract Application (QCA) materials. Qualified Contract Preliminary Application (QCPA) fee shall be $1,500.00. Additionally, the Qualified Contract Application fee shall be $12,500.00 plus any third party fees and expenses incurred by OHFA and not paid directly by the Applicant. Third party fees and expenses include but are not limited to appraisals for the entire property, market study, title reports, environmental reports, accountants review and reports, and legal services. This is not an all inclusive listing. Any third party fees and expenses incurred by OHFA will be identified and Applicants will receive notice of the charge and reason.

(13) **Annual Owner Certification fees.** Failure to file the annual Owner Certification in the electronic format prescribed by OHFA will result in an administrative fee of $150 per unit being assessed.

(14) **Late fees.** The Form 8609(s) will not be issued unless these fees have been received by OHFA.

(A) **Progress reports.** Progress reports as required in 36-4-2.1 when filed late will be assessed a late fee of $10.00 per calendar day, per each late report.

(B) **Carryover Allocations.** Owners who fail to timely file all requirements in the AP as to Agreement, Application, ten percent (10%) cost Certifications, opinions and documents shall incur $100.00 late fee per calendar day.

(C) **Final Allocations.** Owners who fail to timely file all requirements in the AP as to the Regulatory Agreement, Application, cost Certifications, opinions and documents shall incur $100.00 late fee per calendar day.

(D) **Transfer Documents.** Owners who fail to timely file all requirements in regard to the Transfer of Ownership or general partnership interest (or other type of entity) may incur $25.00 late fee per calendar day.

(E) **Acknowledgment of Placed-In-Service Form.** Owners who fail to timely file an Acknowledgment of Placed-In-Service Form in accordance to timelines established in the AP shall incur $10 late fee per calendar day.

(F) **Annual Owner Certifications.** Owners who fail to file the annual Owner Certification as required in 36-6-7(c)(4) within thirty (30) days of the Due Date shall incur a $50 per Development late fee per calendar day. Negative points will also be given for failure to timely file the Certification.

SUBCHAPTER 6. PROGRAM ADMINISTRATION

330:36-6-1. Program violations and revocation.

(a) The following are violations of OAHTC Program policies and procedures and these OAHTC Program Rules:

(1) The filing of false information in an Application and/or a Development report;

(2) Failure of an Applicant or Owner, as the case may be, to satisfy any of the requirements of the Code, applicable State or federal statutes, rules or regulations, these OAHTC Program Rules, or any requirements contained in the annual AP, or any Commitments made in the Application upon which the award of a TCA was based;

(3) Breach of any of the terms, conditions, obligations, covenants, warranties, or representations of the Owner or Applicant contained in the Regulatory Agreement and/or the Carryover Allocation Agreement or the breach of any terms conditions, obligations or requirements set forth in any Resolution of the Trustees pertaining to the Applicant/Owner or the Development;

(4) Notice by OHFA to the Owner that significant corrective actions are necessary to protect the integrity of the Development and that such corrective actions have not been, or cannot be, effected within a reasonable time, in the judgment of OHFA staff;

(5) An administrative or judicial determination that the Applicant or Owner has committed fraud, waste, or mismanagement in any current or prior State or federally funded project;

(6) The housing of a person(s) convicted of a felony or engaged in any illegal or criminal activities as set forth in this subsection, if the Owner, or managers of the Development, or any of their Affiliates, have knowledge of or about, or by reasonable inquiry should have known of same. The prohibition on housing shall apply to any person who:

(A) is currently engaged in, has been convicted of using, distributing, or manufacturing methamphetamine or has engaged in Drug Related Criminal Activity. Housing of such person shall be prohibited for a period of three (3) years from the date of the conviction, or end of the incarceration, whichever is most recent.

(B) is currently engaged in, has been convicted of Violent Criminal Activity. Housing of such person shall be prohibited for a period of ten (10) years from the date of the conviction, or end of the incarceration, whichever is most recent.

(C) has been convicted of any other felonious activities other than Drug Related Criminal Activity or Violent Criminal Activity. Housing of such person shall be prohibited for a period of three (3) years from the date of the conviction or end of the incarceration, whichever is most recent.

(D) is subject to a lifetime registration requirement under a Federal or State sex offender registration program.

(E) is a sex offender, not subject to lifetime registration. Housing of such person shall be prohibited for a period of ten (10) years from the date of the arrest, conviction, or end of incarceration (whichever is later) or the period of required registration as a sex offender, whichever is greater.

(7) The prohibition on the housing of a convicted felon shall not apply to qualified tenants of Transitional Housing, except

that the housing of a person in any Transitional Housing shall be prohibited if said person:

(A) is subject to a lifetime registration requirement under a Federal or State sex offender registration program, or

(B) is currently engaged in or has been convicted of a violent felony in the last three (3) years.

(8) From and after the date of the filing of the Application, failure to notify OHFA of any material changes effecting the proposed Development, including, but not limited to, modifications to any representations contained in the Application, any amendments or modifications of the financing plan, syndicators or equity partners or any other Threshold requirement and/or changes in Development Team Members, contractors, property managers, and the like. Notification must be filed with OHFA not less than sixty (60) calendar days prior to the proposed change. Approval by the Trustees is required for any changes or amendments involving the ownership or Control of the Development or the Owner after the Application is filed. This would include, but not be limited to, changes or Transfers of the Development, changes or modifications of the ownership or composition of the general partner entity (i.e. addition or removal of members, partners, stockholders, etc.), any addition, substitution, withdrawal or removal of any general partner. Other amendments may be handled administratively by staff, although staff reserves the right to refer any amendments to the Trustees for their consideration; or

(9) Failure to submit reports including but not limited to the timely filing of progress reports, updates, compliance reports, etc., and failure to provide OHFA with any additional information requested by OHFA within the period set forth in any request for information. Failure to pay fees when due. If payment is returned for insufficient funds, it will be deemed nonpayment and the amount to defray bank costs will be due.

(10) Little or no progress has been achieved with previous Tax Credit Reservations approved for the Applicant or Developer or any of the Principals of either. This would include, but not be limited to: failure to meet the minimum Carryover Allocation requirements resulting in the return of Credits; failure to place a Development in service within twenty-four (24) months receiving the Carryover Allocation; involvement of a foreclosure or deed-in-lieu of foreclosure within the past seven (7) years.

(b) Failure to follow all required procedures throughout the Allocation process could jeopardize the final Allocation or result in housing Credits being revoked.

330:36-6-3. Corrective and remedial actions

(a) Upon a determination by OHFA staff that a violation has occurred during the Application stages or prior to the filing of the Regulatory Agreement, OHFA may take any one or more of the following actions when the cited violations are not corrected in a timely manner:

(1) Condition Regulatory Agreements;

(2) Withhold Allocations of tax Credits;
(3) Reduce the total amount of the tax Credit award;
(4) Require the return of unused tax Credits;
(5) Deny future program Applications and participation for a specified period of time as determined by OHFA;
(6) Indefinitely suspend from program participation;
(7) File an action for specific performance; and/or
(8) Notify the IRS.

(b) Additionally, OHFA shall have the right, upon discovery of facts or statements indicating possible program violations by an Applicant or Owner in regard to a Development, or a proposed Development or a pending Application, or a pending TCA, to request and obtain information regarding:

(1) The administrative, planning, budgeting, management and evaluation functions, actions being taken to correct or remove the cause of the program violation(s);
(2) Any activities by an Applicant and/or Owner, or by an Affiliate of either of them that are, or might be in violation or breach of the Commitments made in the Application or that are, or might be, in violation of applicable laws, these Rules, the annual AP, and/or the applicable Carryover Agreement and/or the applicable Regulatory Agreement;
(3) The ability of the Applicant and/or Owner to fulfill the Commitments made to OHFA in the Application and/or the applicable Carryover Agreement and/or the applicable Regulatory Agreement, in a timely manner; and
(4) Progress schedules for completing and/or performing the Commitments made to OHFA in the Application and/or the applicable Carryover Agreement and/or the Regulatory Agreement in a timely manner.

(c) Prior to OHFA taking any corrective and/or remedial actions, OHFA, may, in its sole discretion, issue a notice of a show cause hearing. The Applicant and/or Owner shall have thirty (30) business days to appear and show cause as to why corrective and/or remedial actions should not be taken. This language shall not be construed as a limitation on the compliance monitoring and reporting requirements of the Code and these Chapter 36 Rules.

330:36-6-5. Applicant and/or Owner responsibilities

(a) An Applicant and/or Owner under the OAHTC Program shall be responsible for:

(1) Taking all action necessary to enforce the terms of the Regulatory Agreement against any private or public Owner that fails to comply with applicable provisions of the Regulatory Agreement or any subcontract or documents resulting from it, and to recover on behalf of OHFA, all costs and expenses incurred by or on behalf of OHFA. Nothing in this subsection shall restrict OHFA's right to independently enforce the terms of the Commitments made to OHFA in the Application and/or the Regulatory Agreement or in any subcontracts or documents resulting from either of them, or to recover any sums that may become due to OHFA as the result of a breach of any of the Commitments made to OHFA in the Application and/or the Regulatory Agreement, or in any such subcontracts or documents.

(2) Complying with all applicable provisions of the Code, State and federal regulations, guidelines, circulars, rulings and notices, these Rules, the annual AP, the Application, the Regulatory Agreement between the Applicant and/or Owner, and/or in any subcontracts or documents resulting from either of them, and OHFA or other Program requirements that may be released by the Internal Revenue Service or OHFA from time to time.

(3) Maintaining records and accounts, including, but not limited to, property, personnel, financial and tenant records that properly document and account for all Development funds and compliance with the tenant Income Certification requirements of the Code, these Rules, the annual AP, and the application and the Regulatory Agreement. All records required by the Code or 26 CFR1.42-5, as presently effective or as may be amended in the future, must be kept and retained by the Owner. Additional requirements of OHFA respecting said records may be included in the Regulatory Agreement. OHFA may require specific types and forms of records. All such records and accounts shall be made available upon request by OHFA for the purpose of inspection and use in carrying out its responsibilities for administration of the tax Credits.

(4) Retaining all books, documents, papers, records, and other materials involving all activities and transactions related to the Owner's Commitments to OHFA found in the Application and in the Regulatory Agreement, as required by the Code, State and federal regulations, the AP, the Application and the Regulatory Agreement.

(b) OHFA may require the Applicant and/or Owner to provide special narrative and financial reports related to the elements of a written agreement in the forms and at such times as may be necessary or required by OHFA.

(c) OHFA shall have the right to perform as many audits and/or compliance inspections of any Development, from time to time, in the complete discretion of OHFA, as OHFA deems necessary or appropriate to discharge its compliance duties to the IRS in regard to each Development for which TCAs have been awarded, at least through the end of the Compliance Period and Extended Use Period of the Buildings and units in the Development. Audits and compliance inspections may include physical inspection of any Building in the Development, as well as a review of the records described in this subchapter. The cost of any such audit shall be borne by the Applicant and/or Owner. The audit and inspection provisions of this subsection are in addition to any inspection of OAHTC Certifications, supporting documentation, or inspection of records performed pursuant to annual compliance review.

330:36-6-7. OHFA monitoring procedures

(a) **General.** Section 42(m)(1)(B)(iii) of the Code mandates that state housing Credit agencies monitor all Placed-In-Service tax Credit projects for compliance with the provisions of Section 42. The Code also mandates that the Internal Revenue Service be notified, by the state housing agencies, of any instances of noncompliance, this includes failure to comply with the Code and

federal regulations and these Chapter 36 Rules, as well as failure to pay all compliance fees in a timely manner. OHFA will also monitor for compliance with the Regulatory Agreement provisions which contain additional Owner Commitments made to secure points in the project selection process, e.g. additional Low-Income Units or an Extended Use Period. OHFA has assembled and will make available to the Development Owners, a Compliance Manual explaining the OAHTC monitoring process in detail. An Owner representative and a management agent representative will be required to successfully complete a compliance training session conducted by OHFA or approved by OHFA and submit proof thereof with the first Quarterly report. OHFA will monitor the documents and Certifications set forth in 330:36-6-7(b) and (c) for compliance with the Code.

(b) **Record keeping and record retention provisions**.

(1) The Owner of a low-income housing project is required to keep records for each qualified low-income Building in the project showing:

(A) The total number of residential units in the Building (including the number of bedrooms and the size in square feet of each residential rental unit);

(B) The percentage of residential rental units in the Building that are Low-Income Units;

(C) The rents charged on each residential rental unit in the Building (including any utility allowances);

(D) The number of occupants in each Low-Income Unit;

(E) The Low-Income Unit vacancies in the Building and information that shows when, and to whom the next available units were rented;

(F) The initial Income Certification of each low-income tenant per unit, and any additional recertification that may be required;

(G) Documentation to support each low-income tenant's Income Certification;

(H) The Eligible Basis and qualified basis of the Building at the end of the first year of the Credit period;

(I) The character and use of the nonresidential portion of the Building included in the Building’s Eligible Basis under Section 42(d) of the Code (e.g. tenant facilities that are available on a comparable basis to all tenants and for which no separate fee is charged for use of the facilities, or facilities reasonably required by the project); and

(J) Copies of all correspondence with the IRS.

(2) The Owner is required to retain the records described in this section for each Building in the project for at least six (6) years after the Due Date (with extensions) for filing the federal income tax return for that year. The records for the first year of the Credit period must be retained for at least six (6) years beyond the Due Date (with extensions) for filing the federal income tax return for the last year of the Compliance Period of the Building.

(c) **Certification and review provisions.**

(1) Between the Placed-In-Service date of a Building and the

submission of an Application for a final Allocation of Credits, and prior to the issuance of an 8609, OHFA may physically inspect the property. An on-site review will again be conducted within the following year as described in 330:36-6-7 (c)(6) of these Rules.

(2) In accordance with Section 42(l)(1), following the close of the first taxable year in the Credit period, the Owner must certify to the Secretary of the Treasury:

(i) the taxable year in which such Building was Placed-In-Service,

(ii) the adjusted basis and Eligible Basis as of the close of the first year of the Credit period,

(iii) the maximum applicable percentage and qualified basis, and

(iv) the election made for the low-income targeting threshold.

(v) This Certification is accomplished by completing Part II of the 8609(s). A copy of the completed 8609(s) must also be submitted to OHFA. The Due Date for submission is May 10, or as extended by The Service or Staff, of the year due to The Service for the first Credit year.

(3) Owners must prepare and submit a quarterly report beginning with the first full calendar quarter after the last Building is Placed-In-Service, and for the subsequent three quarters. This report must be accompanied by copies of the Tenant Income Certifications for each tenant and new move-ins for the appropriate quarter. If a project is determined not to be in compliance with Program requirements or there is indication of possible noncompliance, OHFA, at its discretion, may require reports each quarter until compliance is demonstrated.

(4) The Owner of a low-income housing project is required to certify annually, in a form prescribed by OHFA, that for the preceding 12-month period:

(A) The project met the requirements of the 20-50 or 40-60 test under Section 42(g)(I) of the Code, whichever Minimum set-aside is applicable to the project, and, if the applicable to the project, the 15-40 test under Section 42(g)(4) for "deep rent skewed" projects;

(B) There was no change in the Applicable Fraction (as defined in Section 42(c)(1)(B))of any Building in the project, or that there was a change and a description of the change;

(C) The Owner has received an Income Certification from each low-income tenant and documentation to support that Certification;

(D) Each Low-Income Unit in the project was Rent-Restricted under Section 42(g)(2);

(E) All units in the project were for use by the general public and used on a nontransient basis (except for Transitional Housing for the Homeless);

(F) Each Building in the project was suitable for occupancy, taking into account local health, safety, and building codes (or other habitability standards), and the State or local government unit responsible for making building code

inspections did not issue a report of a violation for any Building or Low-Income Unit in the project;

(G) There was no change in the Eligible Basis (as defined in Section 42(d)) of any Building in the project, or that there was a change, and the nature of that change;

(H) All tenant facilities included in the Eligible Basis under Section 42(d) of any Building in the project, such as swimming pool, other recreational facilities, and parking areas, were provided on a comparable basis without charge to all tenants in the Building;

(I) If a Low-Income Unit in the project became vacant during the year, reasonable attempts were, or are being made to rent that unit or the next available unit of comparable or smaller size to tenants having a qualifying Income before any units in the project were, or will be rented to tenants not having a qualifying Income;

(J) If the Income of the tenant of a Low-Income Unit in the project increased above the limit allowed in Section 42(g)(2)(D)(ii), the next available unit of comparable or smaller size in the project was, or will be, rented to tenants having a qualifying Income;

(K) An extended Low-Income Housing Commitment, as described in Section 42 (h)(6), was in effect;

(L) The project meets the additional requirements contained in the Regulatory Agreements;

(M) There was no change in the Owner entity (for example, Transfer of general partnership interest);

(N) If the Owner received its Credit Allocation from a portion of the State's ceiling set-aside for projects involving "qualified Nonprofit organizations" under Section 42(h)(5) of the Code, the Nonprofit organization has materially participated in the operation of the Development (within the meaning of CFR § 1.469)and complete the Nonprofit Addendum or other form prescribed by OHFA;

(O) No finding of discrimination under the Fair Housing Act, 42 U.S.C. 3601-3619, has occurred for this project. A finding of discrimination includes an adverse final decision by a substantially equivalent state or local fair housing agency, 42 U.S.C. 361a(a)(1), or an adverse judgment from federal court; and

(P) An extended Low-Income Housing Commitment as described in Section 42(h)(6) was in effect, that an Owner cannot refuse to lease a unit in a project to an applicant because the applicant holds a voucher or certificate of eligibility under Section 8 of the United States Housing Act of 1937, 42 U.S.C. 1437s.

(Q) Collect data required by HUD in a form prescribed by OHFA. In no way will the data collection be in violation of Fair Housing.

(5) OHFA will review the Owner Certifications submitted pursuant to 330:36-6-7(c)(4), for compliance with the requirements of Section 42 of the Code.

(6) OHFA must and will conduct on-site inspections of all Buildings in the project by the end of the second calendar year

following the year the last Building in the project is Placed-In-Service, and for at least twenty (20) percent of the project's Low-Income Units, inspect the units and review the low-income Certifications, the documentation supporting the Certifications, and the rent records for the tenants in those units.

(7) At least once every three (3) years through the Extended Use Period, OHFA must conduct on-site inspections of all Buildings in the project and, for at least twenty percent (20%) of the project's Low-Income Units, inspect the units and review the low-income Certifications, the documentation supporting the Certifications, and the rent records for the tenants in those units.

(8) The Certifications and reviews of paragraphs 330:36-6-7(c)(2) and (c)(4) of these Chapter 36 Rules are required to be made at least annually until the end of the Extended Use Period, and the Certifications are to be made under penalty of perjury.

(9) The Owner is required to provide to OHFA, for the first Credit year, a copy of the completed Part II 8609, 8609 Schedule A and Form 8586 that is submitted to the Internal Revenue Service.

(10) The Owner is required to provide to OHFA, as it occurs, copies of all correspondence with the Internal Revenue Service.

(d) **Auditing/compliance provisions.** OHFA has the right to perform an audit and/or compliance inspection of any low-income housing project during the term of the Regulatory Agreement. An audit/compliance inspection includes physical inspection of any Building in the project, as well as a review of the records described in 330:36-6-7(c)(1) of these Chapter 36 Rules. The auditing/compliance inspection provisions of this paragraph is in addition to any inspection of low-income Certifications and documentation under 330:36-6-7(c)(7)of this Chapter 36 Rules.

(e) **Notification of noncompliance provisions.**

(1) OHFA will provide prompt written notice to the Owner of a low-income housing project if OHFA does not receive the Certification described in 330:36-6-7(c)(4) of these Chapter 36, or does not receive, or is not permitted to inspect, the tenant Income Certification supporting documentation and rent records, or discovers on audit, inspection review, or in some other manner, that the project is not in compliance with the Code or these Chapter 36 rules. The Owner shall have a period of time, not to exceed thirty (30) calendar days, from the date of such notice (the "correction period") to supply any missing Certifications and bring the project into compliance. OHFA may extend, in its own discretion, the correction period for up to an additional thirty (30) calendar days for good cause.

(2) OHFA must file IRS Form 8823 Report of Noncompliance with the Internal Revenue Service no later than forty-five (45) calendar days after the end of the correction period whether or not the noncompliance or failure to certify is corrected. OHFA will explain on Form 8823 the nature of the noncompliance or failure to certify and indicate whether the Owner has corrected

the noncompliance or failure to certify. Any change in either the Applicable Fraction or Eligible Basis that results in a decrease in the qualified basis of the project under Section 42(c)(1)(A) is an event of noncompliance that must be reported under this paragraph.

SUBCHAPTER 8. QUALIFIED CONTRACT

330:36-8-1. Purpose.

Pursuant to 42(h)(6) of the Code, after the end of the 14th year of the Compliance Period, the Owner of a LIHTC Development can request OHFA as the allocating agency to find a buyer at the Qualified Contract Price (QCP). If a buyer cannot be located within one year, the Extended Use Commitment will terminate. This process provides the procedures for the submittal and review of the Qualified Contract requests.

330:36-8-2. [RESERVED]

330:36-8-3. Authority.

In the Omnibus Budget Reconciliation Act of 1989 (1989 Act), Congress modified the LIHTC Program by creating an Extended Use Period which lengthened the affordability period of Credit Developments from 15 years to 30 years. However, the 1989 Act also provided an option for Owners to exit the LIHTC Program at the end of the 15-year Compliance Period by requesting that the state allocating agency either purchase the Development or assign the agency's purchase right to another entity for a formula price pursuant to a "Qualified Contract".

330:36-8-4. [RESERVED]

330:36-8-5. Policies and Procedures

(a) LIHTC Developments that received an Allocation of Credits in 1990 or subsequent years are eligible to submit a Qualified Contract Preliminary Application (QCPA) for up to one year following the end of year 14 of the Compliance Period. This is available unless the Owner voluntarily waives it in the Regulatory Agreement.

(b) OHFA will develop a Qualified Contract Application (QCA) process to administer requests from eligible Owners for a Qualified Contract pursuant to Code Section 42(h)(6)(E)(i)(II).

(c) In keeping with the clear purpose of IRS Code Section 42, OHFA will resolve every case of doubt or interpretation in determining the Qualified Contract Price (QCP), both with regard to the overall process and for particular properties, in favor of a lower value.

330:36-8-6. [RESERVED]

330:36-8-7. Eligibility

(a) In determining the eligibility of a Development with multiple Allocations or Credit periods, OHFA will only consider

the last Allocation. Owners may not submit a QCPA or QCA until after the 14th year of the Compliance Period:

(1) for the last Building Placed-In-Service (Developments with Buildings that were Placed-In-Service in different years), or

(2) for the last Allocation to the Development or any Building therein (Developments with multiple Allocations).

(b) OHFA will not consider a QCA until the Owner secures a complete, unconditional waiver of all purchase options, including a Nonprofit general partner's right of first refusal.

(c) Properties that do not meet the basic physical compliance standards that are (or would be) necessary to claim some or all of the Allocation are ineligible for consideration. Owners must correct all such compliance issues or violations prior to submitting a QCA.

330:36-8-8. [RESERVED]

330:36-8-9. Three-year Period

(a) If OHFA fails to present a Qualified Contract (QC) before the expiration of the 1YP as described herein, the Development will remain subject to the Three-Year Period requirements of Code Section 42(h)(6)(E)(ii).

(b) The Three-Year Period will commence with the recording of a Release of the Regulatory Agreement.

(c) During the Three-Year Period the Owner may not evict or terminate a tenancy of an existing tenant of any Low-Income Unit except for good cause. During the Three-Year Period the Owner may not increase the Gross Rent with respect to any Low-Income Unit except as permitted under Section 42 of the Code.

330:36-8-10. [RESERVED]

330:36-8-11. Qualified Contract

(a) Under IRC §42(h)(6)(E)(i)(II), OHFA's only obligation is to present to the Owner a bona fide Qualified Contract to acquire the Development for the Qualified Contract Price. There is no requirement in the IRS Code that the prospective buyer actually purchase the Development. Whether or not the Owner and the prospective buyer execute a contract and close the transaction is beyond the responsibilities and control of OHFA.

(b) Presentation of a Qualified Contract by OHFA terminates any future possibility of terminating the Extended Use Period set forth in the Regulatory Agreement whether or not the Qualified Contract is executed and the transaction close.

SUBCHAPTER 9. RESERVED

SUBCHAPTER 10. CREDIT ASSISTANCE/STIMULUS LEGISLATION

330:36-10-1. Purpose.

The purpose of this Subchapter is to outline OHFA's procedures for implementing new funding resources specifically identified for use in connection with the OAHTC Program. The American Recovery and Reinvestment Act (ARRA), enacted on February 17, 2009 provides new federal stimulus programs for eligible Owners of Credit Developments. The purpose of this Subchapter is to outline OHFA's procedures for implementing the stimulus programs of the ARRA and future programs which may be authorized and funded federally or at the State level.

330:36-10-2. [RESERVED]

330:36-10-3. Authority.

OHFA has been designated as the State's housing credit agency responsible for the Allocation of Credits made available to the State. This authority provides that OHFA shall administer any funding resources directed to the OATHC Program. Both the "Tax Credits: Exchange" and the "Tax Credit Assistance Program (TCAP)" sections of ARRA provide that these funds shall be administered by the "State Housing Credit Agency".

330:36-10-4. [RESERVED]

330:36-10-5. Definitions.

Reference is made to 330:36-1-4 and the Section 42 of the Code for any words or terms used in this Subchapter.

330:36-10-6. [RESERVED]

330:36-10-7. Tax Credits: Exchange.

(a) The ARRA provides that OHFA has the option of exchanging certain Credit Allocations to the State for a cash payment to OHFA. The cash payment received by OHFA may be used by OHFA to make ARRA sub-awards to selected Applicants who qualify under the QAP for a Credit Reservation and Allocation.

(b) OHFA shall develop an Application process for applying for ARRA funds. The Application process will be consistent with the QAP and Section 42 of the Code and any regulations provided by Treasury as to the use of the funds made available under ARRA for sub-awards.

(c) At the time of the Application for an ARRA sub-award, the Applicant must demonstrate a good faith effort to obtain investment commitments for Credits previously allocated to the Owner.

(d) The Owner of the Buildings(s) identified in the Carryover Allocation Agreement and/or Regulatory Agreement receiving an ARRA sub-award must maintain said Building(s) as Qualified Low-Income Building(s) during the Development Compliance Period. Failure to maintain the Building(s) as Qualified Low-Income Building(s) shall result in the recapture of the ARRA sub-award.

(e) Recipients of ARRA sub-awards will be required to enter into such agreements and documentation as OHFA, in its sole discretion, deems necessary to ensure that the provisions of any requirements of the U.S. Department of the Treasury, these

Chapter 36 Rules, the Code, any relevant rules, regulations, rulings or other guidance issued by the IRS and terms of the ARRA sub-award are met throughout the Development Compliance Period. Required agreements and documentation may include without limitation, loan documentation, an amended Carryover Allocation Agreement and/or Regulatory Agreement and Owner guarantees.

330:36-10-8. [RESERVED]

330:36-10-9. Tax Credit Assistance Program (TCAP).

(a) The ARRA provides funds through the HOME Investment Partnership Program (the "HOME Program") for awards to certain Owners of Credit Developments. These funds have been designated Tax Credit Assistance Program (TCAP) by HUD.

(b) OHFA will develop an Application process for awarding TCAP funds to eligible Credit Development Owners. The Application process will be consistent with the QAP and Section 42 of the Code and any regulations provided by Treasury or HUD as to the use of funds made available under the ARRA for awards.

(c) The Application for the TCAP funds will include a competitive component. Evaluation Criteria will be developed, but will include, without limitation, a priority for Developments expected to be completed and Placed-In-Service by February 17, 2012.

(d) Any Owner failing to expend awarded TCAP funds within the time period specified in the TCAP Award Agreement between the Owner and OHFA shall return the funds to OHFA for redistribution.

(e) Recipients of ARRA TCAP funds will be required to enter into such agreements and documentation as OHFA, in its sole discretion, deems necessary to ensure that the provisions of any requirements of the U.S. Department of the Treasury, HUD, these Chapter 36 Rules, the Code, any relevant rules, regulations, rulings or other guidance issued by the IRS and terms of the ARRA TCAP are met throughout the Development Compliance Period. Required agreements and documentation may include, without limitation, loan documentation, an amended Carryover Allocation Agreement and/or Regulatory Agreement and Owner guarantees.

330:36-10-10. [RESERVED]

330:36-10-11. Asset Management.

(a) OHFA shall perform asset management functions to ensure compliance with section 42 of the Code and the continued long term viability of Building(s) funded by either form of assistance identified in this Subchapter. OHFA may sub-contract this function to another entity (ies).

(b) Any Building(s) receiving funds pursuant to the Grant Program of the TCAP shall be subject to all restrictions and regulations of the OAHTC Program, Section 42 of the Code and, as applicable, the HOME Program.

330:36-10-12. [RESERVED]

330:36-10-13. Fees.

(a) Fees will be calculated based on original Tax Credit award and shall comply with Subchapter 4, Section 4-3. All Fees as set out in these Chapter 36 Rules will be due and payable at such times as OHFA instructs Applicants.
(b) An annual Asset Management Fee shall be due and payable at such times as OHFA instructs Applicants for each year of the Development Compliance Period. The Fee shall be subject to Oklahoma Department of Central Services Central Purchasing guidelines.

330:36-10-14. [RESERVED]

330-36-10-15. Other Enactments of Law.
In the event additional federal or State assistance/stimulus programs benefiting the OAHTC Program become available to the State through OHFA, OHFA shall immediately implement such procedures as OHFA deems necessary, in its sole discretion, to access these funds for the purpose of Allocating, granting, awarding, etc. to Qualified Owners of Tax Credit Developments. The process developed for the current economic stimulus programs available and future enactments of law will be consistent with the goals of the Qualified Allocation Plan (QAP), the Chapter 36 Rules, Section 42 of the Code and any relevant rules, regulations, rulings or other guidance issued by the IRS and, as relevant the regulations of the HOME Program and guidance from HUD. The Application process and procedures developed will be reviewed annually by OHFA through normal procedures.

OHFA'S RESPONSIBILITIES

In accordance with Section 42 of the IRS Code, OHFA Chapter 36 Program Rules, and the Regulatory Agreement, the following are OHFA's responsibilities:

At least once every three (3) years, OHFA will conduct on-site inspections of all buildings in each low-income housing project and, for each tenant in at least 20 percent of the project's low-income units selected by OHFA, review the low-income certification, the documentation supporting such certification, and the rent record.

OHFA will inspect new projects by the end of the second calendar year following the year the last building in the project is placed in service.

The above mentioned audits/inspections will be performed on not less than 20% of the tax credit units in each selected Development.

The review may include, but is not limited to:

a. Tenant qualifications, certifications, income calculations and appropriate supporting documentation;
b. Rental Application(s), Dwelling Lease(s), and Addendum(s);
c. The gross rent payment and its components, including utility allowance, and the source.
d. The vacancy history of both low-income and market-rate units;
e. Promises documented in the Regulatory Agreement or other applicable documentation; development characteristics attested to in the initial

application for which ranking points were awarded; i.e.:

1. Contract agreement with service providers.
2. Tenant Advisory Committee.
3. Homeless Unit.
4. Security Issues.
5. Any other item listed in the Regulatory Agreement.

OHFA may inspect first year files, inactive files, active files, vacant units, occupied units and common spaces.

The physical inspection may include, but is not limited to:

Exterior:

- Grounds, walkways, and steps
- Play areas and equipment
- Storm drainage
- Common areas (i.e. laundry room, pools)

The physical standards of the above must meet the following:

a. Buildings must be free from severely cracking.
b. Chipping paint, missing siding, or missing bricks.
c. Buildings must be free from all potentially.
   Hazardous conditions (i.e. open electrical boxes, broken windows, or tripping hazards).
d. There should be no deferred maintenance.
e. There must be a wheelchair accessible route to ground floor of buildings and common areas.
f. Americans with Disabilities Act and Fair Housing Accessibility Act

compliant.

Interior:

a. All doors/windows leading to the outside must be airtight and free of obstructions.
b. All doors leading to the outside must lock securely.
c. Ceilings and walls must be in good condition.
d. Units must be free from any electrical hazards which includes missing cover plates, light switch plates and receptacles, or protruding electrical boxes.
e. All units must have working faucets with proper water pressure, hot and cold running water, and be free from leaks.
f. All commodes must flush properly and be secured to the floor.
g. The water heater must be enclosed unless it is in a garage, basement, or an enclosed utility room, and free from any hazardous materials stored around it.
h. The unit must be equipped with at least one working smoke detector on each level of the unit.
i. There cannot be any tripping hazards (i.e. cords running across thresholds/walkways, a wrinkled, loose, or torn carpet, torn linoleum, bulges in the floor, and obstructions).
j. All appliances must be in working order (stove, disposal, fridge, etc.).
k. Stove burners must be working (check by staff).
l. Refrigerator seals must be tight.
m. All Ground Fault Interrupter must be in working order.
n. Housekeeping: must be free of any severe health or sanitary concerns.
o. There must be no evidence of vermin or bug infestation.
p. Fair Housing Poster must be posted in view of Applicants/residents.

OHFA uses the Uniform Physical Condition Standards (UPCS) during inspections.

OHFA has the right to perform audits, including site visits and inspections, on any tax credit development during the full term of the compliance period. These reviews may be performed with at least seven (7) days prior written notification to the owner unless circumstances warrant immediate action. Even though we encourage owners and representatives to be present, it is not mandatory. There must be at least one staff person available to accompany the inspector during the physical review and if needed for the file review.

OHFA will no longer report issues of noncompliance that have been identified and corrected by the owner prior to notification of an upcoming compliance review or inspection by OHFA. Prior to notification means prior to the date of the inspection letter, telephone notification, or email notification.

Upon arrival for an inspection, OHFA requires the following items:

1. Copy of the notice sent to residents informing them of inspection.
2. Copy of current Unit Data Sheet AND a rent roll.
3. Copy of the current Utility Allowance used. OHFA must be provided with documentation on evidencing the methodology used to arrive at a particular amount, not just the dollar amounts.
4. Copy of documentation proving the fulfillment of any extra commitments or development characteristics promised in the application.
5. Vacant unit history (what units are vacant and when was the last move-out).
6. Documentation of the application fee, if any, charged to tenants, along with proof of actual cost.
7. The ownership documentation and material participation by the non-profit

involved, if the site was funded out of the non-profit set-aside (see chapter 22 of the Guide for Completing Form 8823).

8. Assure ownership and management entity are the same as previously reported on the last Annual Owner Certification submitted to OHFA.

OHFA will report to the Internal Revenue Service (IRS) any instances of noncompliance (whether corrected or not) on Form 8823 "Report of Noncompliance", after the correction period has elapsed. OHFA is required to file a 'back in compliance' Form 8823 if the compliance is remedied within three years.

Examples of the most common noncompliance issues are:

a. Unit Data Sheets not updated or not available
b. TIC's not updated with current rent or UA
c. over-income tenants
d. rents too high when utility allowance rise
e. building code violations (windows blocked)
f. incomplete or late forms filed
g. the under 5K asset certification incorrect
h. smoke alarms not working
i. improper income certification or verification
j. not asking the felony and student question annually
k. housekeeping (severe health and sanitary issues)
l. utility allowance documentation not available on site
m. handicap parking spaces without access aisle and ramps

Helpful Hints for a Successful Inspection:

To help OHFA Compliance Specialists conduct an efficient inspection and allow adequate time for other appointments, the following are suggestions:

File inspection:

1. Have ALL the documents outlined in the inspection letter copied and ready upon our arrival:
   a. Resident Notice of the OHFA inspection with date of the inspection
   b. Current utility allowance with source proof (PHA or calculation of actual costs with OHFA approval if applicable)
   c. **Current** Unit data sheet (at least through the last day of the prior month)
   d. Current Rent roll
   e. Vacant report listing number of days each unit has been vacant and status of make ready
   f. If applicable, have the binder of support services that have been offered, including sign in sheets, during the last few years available for review
2. Please make sure the Fair Housing Poster is clearly displayed in a public place for potential residents to see
3. If Applicable, a representative of the non-profit organization should be available to complete the non-profit questionnaire; if not, fax it to the representative and have them complete it before the end of the inspection
4. Please have a quiet space cleared for the inspector to complete file audits

uninterrupted

Physical inspection:

1. While the inspector is completing the file inspection, please pull keys and map out the best route for walking units to minimize crisscrossing the property.
2. Wear walking shoes when accompanying inspector and be prepared to walk up and down stairs if applicable.
3. Have a maintenance person walk units with manager representative who is equipped with light bulbs, screw driver, smoke alarm batteries, smoke alarms and HVAC air filters.
4. A management representative should open every room and confirm that the inspector may enter safely and without disturbing residents.

OWNER'S RESPONSIBILITIES

1) Reports

Effective 01/01/2010, a report, fee, and audit corrections will be considered late if it is not in the OHFA office on or before the due date. **OHFA will consider a report faxed or emailed to tax credit compliance on or before the due date as being received on-time as long as the original is also postmarked on or before the due date**. Avoid piecemeal correspondence by reviewing all documents for accuracy and completeness.

In accordance with Section 42 of the IRS Code and OHFA Chapter 36 Program Rules, the owner of the development receiving a tax credit allocation is required, by acceptance of the allocation, to provide the following reports listed in this section.

A. Quarterly Owner Certification

Owners must begin quarterly reporting the FIRST FULL calendar quarter after the last building is placed in service and continue to report for the subsequent 3 quarters. The following are the quarterly reporting dates in no particular order:

1st Quarterly Report	January 1 - March 31	due no later than	April 10
2nd Quarterly Report	April 1 - June 30	due no later than	July 10
3rd Quarterly Report	July 1 - September 30	due no later than	October 10
4th Quarterly Report	October 1 - December 31	due no later than	January 28

FOR EXAMPLE:

PIS, 10/15/2003

1st Quarterly Report	10/15/03 thru 03/31/04	due no later than	April 10, 2004
2nd Quarterly Report	04/01/04 thru 06/30/04	due no later than	July 10, 2004
3rd Quarterly Report	07/01/04 thru 09/01/04	due no later than	October 10, 2004
4th Quarterly Report	10/01/04 thru 12/31/04	due no later than	January 28, 2005

FIRST ANNUAL REPORT = 01/01/05 thru 12/31/05 DUE 02/15/2006

FOR EXAMPLE:

PIS, 01/25/2004

1st Quarterly Report	01/25/04 thru 06/30/04	due no later than	July 10, 2004
2nd Quarterly Report	07/01/04 thru 09/01/04	due no later than	October 10, 2004
3rd Quarterly Report	10/01/04 thru 12/31/04	due no later than	January 28, 2005
4th Quarterly Report	01/01/05 thru 03/31/05	due no later than	April 10, 2005

FIRST ANNUAL REPORT = 01/01/05 thru 12/31/05 DUE 02/15/2006

The quarterly owners report can be found in Appendix H, and must be accompanied by hard copies of Income Certifications for each Tenant reflecting that quarter and new move-ins along in that quarter with the completed **current** hard copies of Unit Data Sheet.

If a project is determined not to be in compliance with Program requirements or there is indication of possible noncompliance, OHFA, at its discretion, may require reports each quarter until compliance is demonstrated. Owners will be required to report quarterly for no less than four quarters, until the property has reached the owners' set-aside, and has initially leased all tax credit units.

B. Annual Owner Certification (AOC)

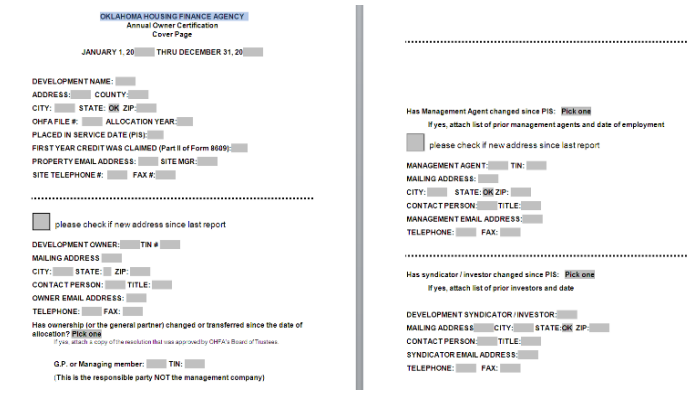
Owners must manage the development in accordance with the Code, the Rules, other applicable regulations, and any agreements reached with OHFA during the allocation process for the duration of the compliance period and must certify to this fact. This certification for the preceding calendar year shall be in a form prescribed by OHFA, must be received no later than **February 15 of each year**, and must be accompanied by the current Unit Data Sheets. An addendum to the AOC must be completed by the non-profit entity if the non-profit question on the AOC is answered "Yes". A copy of this Annual Owner Certification report can be found in Appendix I. The cover pages to the certification should provide the CURRENT contact information. A hard copy of the signed AOC and attachments must be printed and submitted to OHFA no later than February 15th of each year.

Include any information and plans to address any high vacancy, units vacant >90

days, late recerts, etc. in the cover letter with the UDS.

[redacted]

1. Cover Sheets



OKLAHOMA HOUSING FINANCE AGENCY
Annual Owner Certification
Cover Page

JANUARY 1, 20 THRU DECEMBER 31, 20

DEVELOPMENT NAME:
ADDRESS: COUNTY:
CITY: STATE: OK ZIP:
OHFA FILE #: ALLOCATION YEAR:
PLACED IN SERVICE DATE (PIS):
FIRST YEAR CREDIT WAS CLAIMED (Part II of Form 8609):
PROPERTY EMAIL ADDRESS: SITE MGR:
SITE TELEPHONE #: FAX #:

please check if new address since last report

DEVELOPMENT OWNER: TIN #
MAILING ADDRESS
CITY: STATE: ZIP:
CONTACT PERSON: TITLE:
OWNER EMAIL ADDRESS:
TELEPHONE: FAX:

Has ownership (or the general partner) changed or transferred since the date of allocation? Pick one
If yes, attach a copy of the resolution that was approved by OHFA's Board of Trustees.

G.P. or Managing member: TIN:
(This is the responsible party NOT the management company)

Has Management Agent changed since PIS: Pick one
If yes, attach list of prior management agents and date of employment

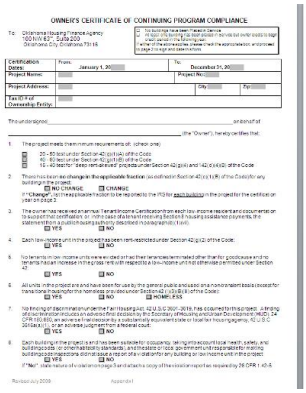
please check if new address since last report

MANAGEMENT AGENT: TIN:
MAILING ADDRESS:
CITY: STATE: OK ZIP:
CONTACT PERSON: TITLE:
MANAGEMENT EMAIL ADDRESS:
TELEPHONE: FAX:

Has syndicator / investor changed since PIS: Pick one
If yes, attach list of prior investors and date

DEVELOPMENT SYNDICATOR / INVESTOR:
MAILING ADDRESS: CITY: STATE: OK ZIP:
CONTACT PERSON: TITLE:
SYNDICATOR EMAIL ADDRESS:
TELEPHONE: FAX:

2. Annual Owners Certification



OWNER'S CERTIFICATE OF CONTINUING PROGRAM COMPLIANCE

To: Oklahoma Housing Finance Agency
1000 NW 63rd, Suite 200
Oklahoma City, Oklahoma 73118

Certification Dates: From: January 1, 20 To: December 31, 20
Project Name: Project No:
Project Address: City: Zip:
Tax ID # of Ownership Entity:

The undersigned, on behalf of (the "Owner"), hereby certifies that:

1. The project meets the minimum requirements of: (check one)
   20 – 50 test under Section 42 (g)(1)(A) of the Code
   40 – 60 test under Section 42 (g)(1)(B) of the Code
   15 – 40 test for "deep rent-skewed" projects under Section 42 (g)(4) and 142 (d)(4)(B) of the Code
2. There has been no change in the applicable fraction (as defined in Section 42 (c)(1)(B) of the Code) for any building in the project.
   NO CHANGE CHANGE
   If "Change", state reasons and provide a copy of the IRS form 8609 for each building in the project for the certification period.
3. The owner has received an annual Tenant Income Certification from each low-income resident and documented or to support that certification (or, in the case of a tenant receiving Section 8 housing assistance payments, the statement required by HUD and such housing assistance provider) as described in paragraph (1) hereof.
   YES NO
4. Each low-income unit in the project has been rent-restricted under Section 42 (g)(2) of the Code.
   YES NO
5. No tenants in low-income units were evicted or had their tenancies terminated other than for good cause and no tenants had an increase in the gross rent with respect to a low-income unit not otherwise permitted under Section 42.
   YES NO
6. All units in the project are and have been for use by the general public and used on a nondiscriminatory basis (except for transitional housing for the homeless) in accordance Section 42 (i)(3)(B)(iii) of the Code:
   YES NO HOME IFSS
7. Nothing of discrimination under the Fair Housing Act, 42 U.S.C. 3601-3619, has occurred in this project. A finding of discrimination includes an adverse finding by the Secretary of Housing and Urban Development (HUD) 24 CFR 180.680, an adverse finding by a substantially equivalent state or local fair housing agency, 42 U.S.C. 3608(e)(5), or an adverse judgment from a Federal court.
   YES NO
8. Each building in the project is in the habitable condition (including meeting all local health, safety, and building codes (or other habitability standards), and the state or local government unit responsible for making building code inspections did not issue a notice of a violation for any building or low-income unit in the project.
   YES NO
   If "No", state nature of violation on page 3 and attach a copy of the violation report as required by 26 CFR 1.42-5.

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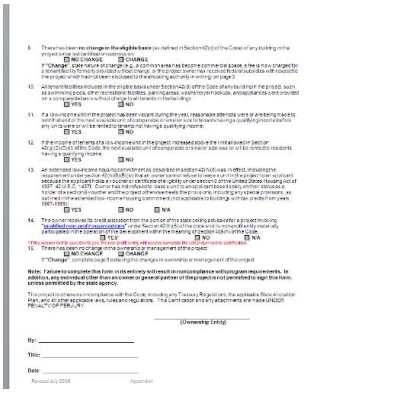

9. There has been no change in the eligible basis (as defined in Section 42(d) of the Code) of any building in the project since last certified or inventoried.
   NO CHANGE CHANGE
   If "Change", state nature of change (e.g., a commercial area has become commercial space, a fee is now charged for a tenant facility formerly provided at no fee) (change, or the project owner has notified its tax advisor that the project which has not been disclosed to the allocating authority in writing) on page 3.
10. All tenant facilities included in the eligible basis under Section 42(d) of the Code (stating building in the project, such as swimming pools, other recreational facilities, parking areas, washer/dryer hookups, and appliances were provided on a continuing basis free of charge to all tenants in the building).
    YES NO
11. If a low-income unit in the project has been vacant during the year, reasonable attempts were or are being made to rent that unit to the next available unit of comparable or smaller size to tenants having a qualifying income before any unit is given to be rented to tenants not having a qualifying income.
    YES NO
12. If the income of tenants of a building in which the project increased above the initial low-income limit (as defined in Section 42 (g)(2)(D)(ii) of the Code), the next available unit of comparable or smaller size was or will be rented to residents having a qualifying income.
    YES NO
13. An extended low-income housing commitment as described in section 42(h)(6) was in effect, including the requirement under section 42(h)(6)(B)(iv) that an owner cannot refuse to lease a unit in the project to an applicant solely because such applicant has a tenant-based rental assistance voucher or certificate under section 8 of the U.S. 1437 - 42 U.S.C. 1437f. Owner has not refused to lease a unit to an applicant based solely on the status of a holder of a section 8 voucher and the project otherwise meets the provisions, including any special provisions, as defined in the extended low-income housing commitment, not applicable to buildings, of the credit for years 1987-1989.
    YES NO N/A
14. The owner received its credit allocation from the portion of the state ceiling set aside for a project involving "qualified non-profit organizations" under Section 42(h)(5) of the code and is reasonably expected to materially participate in the development or operation of the project in the meaning of section 42(h)(5) of the Code.
    YES NO N/A
15. Is the owner exempt from the requirements of Section 42(g)(1) of the Code? (Check one) Yes No
16. There has been no change in the ownership or management of the project.
    NO CHANGE CHANGE
    If "Change", complete page 3 detailing the changes in ownership or management of the project.

Note: Failure to complete this form in its entirety will result in noncompliance with program requirements. In addition, any individual other than an owner or general partner of the project is not permitted to sign this form, unless permitted by the state agency.

This project is in material compliance with the Code, including any Treasury Regulations, the applicable State allocation Plan, and all other applicable laws, rules and regulations. The Certification and any attachments are made UNDER PENALTY OF PERJURY.

(Ownership Entity)

By:
Title:
Date:

Revised July 2009 Appendix I

3. Current Unit Data Sheet(s)

Date Prepared _____

Page _____ of _____ Pages

Reporting Period: January 1, 20____ to December 31, 20____

Property Name: _____
Building Address: _____

Total Units in Bldg: _____
Total Low Income Units in Bldg: _____
Total Employee Units in Bldg: _____
Total Market Units in Bldg: _____

Building Identification Number (BIN):

_____

*Set-Aside: 50%, 60%, Market
**Type of Unit: Homeless, Elderly, Employee / Mgr. / Exempt Unit, Over-Income (OI) @ recert

Unit No. (A)	Sq. Ft. (B)	Bdrm Size (C)	Head of Household (D)	HH Size At MI (E)	Move-In Date (F)	Gross Income at Move-In (G)	Last Cert Date (H)	Current Recert Date (I)	Current Recert Income (J)	HH Size At Recert (K)	Tenants Rent Portion (L)	Utility Allowance (M)	Move-Out Date (N)	Set-Aside (O)	**Type of Unit (P)	Comments (Q)

Revised August 2007

Appendix J

4. Non-profit (if applicable)

Non-Profit Addendum to
Annual Owner Certification

Certification Dates:	From: January 1, 20	To: December 31, 20	
Project Name:		Project No:	
Project Address:		City:	Zip:
Tax ID # of Ownership Entity:			

This form is to be completed if the site listed above received its credit allocation from the portion of the state ceiling set-aside for a project involving "qualified non-profit organizations" under Section 42(h)(5) of the Code.

IRC 42(h)(5) requires that each state set aside at least 10% of its state housing credit ceiling for allocations to projects in which qualified nonprofit organizations own an interest and materially participate in the development and operation of the projects. "Qualified nonprofit organization" is defined as an IRC 501(c)(3) or 501(c)(4) organization exempt from tax under IRC 501(a) that is determined by the state agency as not being affiliated with or controlled by a for-profit organization, and one of the exempt purposes of the organization includes the fostering of low-income housing.

For purposes of this allocation, a nonprofit organization must have an ownership interest in the low-income housing project throughout the compliance period and materially participate in the development and operation of the project.

Nonprofit Organization Name:
Address:
City: **State:** **Zip:**
Contact Person: **Phone #:**
Email Address:

1. Do you have an ownership interest in the project?
   YES NO
2. Did you participate in the development of the project?
   YES NO
3. Do you continue to participate in the day-to-day operations of the project?
   YES NO
4. Do you aid in the management decision-making of the project?
   YES NO
5. Do you provide services to the project?
   YES NO
6. How often do you have a non-site presence at this site? _____

_____ _____
Signature of Non-Profit Rep **Non-Profit Rep Name Printed**

_____ _____
Title of person signing **Date**

C. HUD Demographic Data Collection

OHFA is required to report to HUD annually the:

Race	Ethnicity	Family composition	Disability status
Age	Income	Use of rental assistance	Amount of rental payments of tenants
Felony status			Student status
HUD is also requesting the ***last four digits of each adult household member's social security number. If a social security number is not applicable, enter the two digit birth month and the last two digits of the birth year.***			

OHFA is collecting this data through Certification On-Line (COL).
https://hdt.ohfa.org/tcweb/

*****The unsigned COL Annual Owner Report and all Tenant Certifications must be submitted electronically via COL to OHFA no later than February 15th each year.**

***Note: In addition to the COL requirement, if you choose to mail the AOC and Unit Data Sheets to OHFA from COL, you MUST PRINT THE DOCUMENTS BEFORE YOU CLICK SUBMIT! The AOC printed from COL does not need to be notarized.*

D. **Unit Data Sheet**

A separate Unit Data Sheet must be provided for each building in the development (to be updated at least on a monthly basis), and will be provided with the Quarterly and Annual Certifications and upon any request from OHFA. The Unit Data Sheet is historical; therefore an apartment may require several lines to record the ENTIRE history of a given apartment for that reporting year. Note: each sheet only needs to contain the current reporting period's activity (recertifications, move-outs, and move-ins for that year). NEVER INCLUDE FUTURE DATES ON THE UNIT DATA SHEET.

The Unit Data Sheet should include the following information for each unit:

a. Unit Number
b. Square Feet
c. Bedroom Size

d. Head of Household
e. Household Size at Move-in
f. Move-in Date
g. Gross Income at Move-in
h. Last Certification Date
i. Current Recertification Date
j. Current Recertification Income
k. Household Size at Recertification
l. Tenants Rent Portion
m. Current Utility Allowance
n. Move-out Date
o. Set-Asides (50%, 60%, Market rate)
p. Type of unit (homeless, elderly, exempt)
q. Comments (eviction, notice, late recertification, be sure to attach back-up of due diligence i.e. 90, 60, 30 day notice)

A copy of the Unit Data Sheet with instructions can be found in Appendix J.

***Effective 01/01/2008, all TIC's, including Rural Housing TIC's, must be completed within 120 days of the anniversary date of move-in.**

OHFA will not monitor columns H – N on the unit data sheet for 100% Tax Credit. Use the Annual Household Certification Form in Appendix G.

E. Management and Ownership Changes

Management changes must be submitted to OHFA at least 60 days prior to the change. Effective 01/01/2010, there will be a $500 fee per site to change management. See Chapter 36 Rules, section 330: 36-4-3(a)(8).

Ownership changes require approval of the Board of Trustees. These changes must also be submitted at least 60 days PRIOR to the change. There is a 3% or $2500 fee to transfer a site. See Chapter 36 Rules, section 330:36-4-3(a)(7).

If a management or ownership change is anticipated, contact OHFA for the proper forms to complete and information needed.

F. Casualty Losses

Owners must report all instances of casualty loss to OHFA LIHTC Compliance staff as soon as discovered and send all applicable documentation. Casualty loss is defined as the damage, destruction, or loss of property resulting from an identifiable event that is sudden, unexpected, or unusual (e.g. car accidents, fires, hurricanes, tornadoes, storms, vandalism etc.). The common areas, units, or buildings are unsuitable for occupancy. Property damage such as siding off a building is not a casualty loss.

2. Compliance Fees and Tax Forms

A. **Compliance Monitoring Fees**

Owners must pay an annual fee for the applicable year that is invoiced, which shall be payable on or before ***January 28*** for each year during the Compliance Period and Extended Use Period. The applicable fees can be found in the Chapter 36 Rules in section 330:36-4-3(a)(5).

B. **Tax Forms**

Once a tax credit property is placed-in-service (PIS) and OHFA issues the IRS Form 8609 to the owner, the owner is responsible for submitting the appropriate IRS forms to claim the credit. **Copies of the Tax Forms 8586, Completed Part II 8609, and 8609-Schedule A,** as filed on behalf of the ownership entity with the IRS for the **FIRST CREDIT YEAR** must be submitted to OHFA on or before **May 10th** of the year due to The Service. Copies of the filed forms may be requested by OHFA for any year if deemed necessary. NOTE: Make sure the 8609's submitted to OHFA with tax forms are signed and dated at the bottom of the forms.

Please review your document prior to mailing to IRS and ensure Part II question 8(b) is answered correctly. Your response will impact whether unit transfers are allowed as this is a non-revocable designation with the IRS and OHFA. Changes to this designation are not allowed unless directly communicated by the IRS with all proper documentation provided to OHFA LIHTC Compliance for any deviation to this designation.

Failure to comply with any of the above requirements will result in the issuance of an IRS Report of Noncompliance (Form 8823).

3. Record Keeping

A. Tenant Files

Should include but are not limited to:

- Rental Application
- Current Dwelling Lease and addendums
- Tenant Income Certifications

- Income and asset Verifications
- Release & Consent Form

Owners/Managers should develop a standard method for organizing tenant files. The preferable order would be:	
Top to Bottom	
Left Side	**Right Side**
Rental Application	Tenant Income Certification
Release & Consent Form	Student Verification (if applicable)
	Asset Verification
	All Applicable Income Verification's (ie. Child Support Verification, Zero Income Verification, Monetary Contribution Verification, etc…)
	Dwelling Lease and required Lease Language
Use colored paper to separate the paperwork for each year.	

B. Development Files

Owners must maintain all tenant files for the development. Documenting the eligible basis and qualified basis of each building for the **first year of the credit period** is very important. These documents must be available for auditing purposes and kept for at least six years after the tax filing date for the last year of the compliance period, for a total of **21 years**.

The character and use of non-residential portions of buildings that are included in the development's eligible basis must also be documented. Owners must establish that

tenant facilities included in the eligible basis are available to all tenants and that no fee is charged for the use of these facilities.

1. Occupancy Rules

A. Project Occupancy Restrictions

Tax credit developments must contain enough qualified tax credit units to satisfy the chosen minimum set-aside by the end of the tax year following the year that the development was placed in service (1991 and later years' developments).

If a greater set-aside election than the minimum is selected by the owner during the application process, then this percentage is the Owner's set-aside election. The Owner's set-aside election is specified in the LIHTC Application for Tax Credits. NOTE: The owner must ensure that the minimum set-aside election specified in the application is maintained throughout the compliance period.

If occupancy in a tax credit development falls below the IRS minimum set-aside percentage (20-50 or 40-60), the development will be deemed out of compliance and reported to the Internal Revenue Service on an IRS Report of Noncompliance (Form 8823). The owner may be subject to credit recapture by the IRS, even if the violation is corrected before the end of the calendar year.

If OHFA cannot determine compliance on a property, the staff will request the 1st year files. In the event that this does not satisfy our compliance regulations, OHFA will then turn the matter over to the IRS for their determination.

B. Compliance with Fair Housing and Equal Opportunity Laws

Americans with Disabilities Act prohibits discrimination in all areas of public accommodation. No matter when the property was built. All properties must comply with applicable federal, state and local fair housing and anti-discrimination laws in the marketing and provision of housing. OHFA may request written documentation to evidence the owner's compliance with these laws. Federal laws that may be applicable to a development include, but are not limited to, the Fair Housing Act as amended by the Fair Housing Amendments Act of 1988, Section 504, the Americans with Disabilities Act, and any further amendments of said acts. These laws include provisions for construction and design of multifamily developments as well as property management.

Disclaimer: Owners and managers should not rely solely upon this manual when assessing their compliance with the Fair Housing Act & Accessibility. OHFA does not in any way warrant that this manual will ensure compliance with any laws or regulations regarding accessibility for disabled individuals. Owners and managers should consult with legal and architectural professionals for further guidance.

The Fair Housing Act requires that all new multifamily dwellings consisting of four or more dwelling units meet certain design criteria so that the dwellings can later be adapted for use as supportive housing without significant structural renovations. In buildings with four or more dwelling units, if the building does not have an elevator, the design requirements apply to all ground floor units. If the building does have an elevator, the requirements apply to all units. The design standards apply if the building is built for first occupancy on or after March 13, 1991. Such buildings must meet specific design requirements so public and common use spaces and facilities are accessible to people with disabilities.

See Appendix M for OHFA Fair Housing Accessibility Guide or ohfa.org.

1. Site Accessibility
   a. Are the handicap parking spaces oversized or do they include a painted access aisle?
   b. Are the tenant mailboxes on an accessible route?
   c. Do the mailboxes have a clear turnaround space in front of them?
   d. If community has indoor/outdoor common amenities, (picnic areas, tennis courts, basketball courts, a swimming pool or gazebo), are they on an accessible route?
2. Common Buildings Accessibility
   a. Is the Office and/or Community Building served with at least one handicap parking space with a painted or oversized access aisle?
   b. Is the Office and/or Community Building and Laundry Room on an accessible route, free from inclines and steps?
   c. Is the threshold height of the primary door to the Office and/or Community Building and Laundry Room one-half inch or less?
   d. Are the primary door openings of the Office and/or Community Buildings and Laundry wider than 32"?
   e. Does the primary door to the Office and/or Community Room and Laundry require little effort to open?
   f. Are the hallways in the Office and/or Community Building 36" or wider?
   g. Are the door openings to the habitable rooms in the Office and/or Community Building greater than 32"?
   h. Are the bathrooms in the Office and/or Community Building fully accessible, including grab bars around the toilets, wall hung sink, and a

turnaround space in front of the toilet and sink?

3. Dwelling Unit Accessibility
   a. Is there an accessible route to the dwelling unit, free from inclines and steps?
   b. Is the threshold height at the primary entrance door one-half inch or less?
   c. Is the primary entrance door opening 32" or wider?
   d. Are the hallways 36" or wider throughout the dwelling unit?
   e. Are the door openings to all habitable rooms 32" or wider?

C. Changes in Family Size

The addition of a new member or new members to an existing low-income household requires the income certification of each new member of the household, including third party verification (this does not apply to anyone under the age of 18). Obtain the new household member's information on an application (i.e. felony and student status) along with any applicable verification. The income of the new tenant or tenants must then be added to the income disclosed on the existing household's tenant income certification. If the new member's income added to the existing household exceeds the income limit, you may still allow the additional members to move-in. If the total income combined exceeds 140% of the income limit, the Available Unit Rule must be applied in that building. The next complete recertification (if applicable) is due when the existing household's TIC expires, which should be the anniversary of move-in. *However, if all of the original members ever move out, the new members must initially qualify.

**A household may continue to add members as long as at least one member of the original low-income household continues to live in the unit. If it is determined that a*

household intentionally manipulated the income limit requirements, the unit may no longer be treated as low-income.

D. Transfers

When a household moves to a different unit within the same building, the newly occupied unit adopts or swaps the status of the vacated unit.

- In addition a household may move to a different unit, in a different building, within the same low-income project without initially re-qualifying. The newly occupied unit adopts or swaps the status of the vacated unit. If the recertification process is applicable, the household income cannot be over 140% of the current income limit prior to the transfer. The last income certification may be used to verify that the household income is not greater than 140% of the current income limit.
- The next complete recertification is due on the anniversary date of the original move-in to the project (not the move-in date to the new unit). If the household income is above 140% at any recertification after the transfer to a new building, the Available Unit Rule must be applied.
- OHFA will allow the transfer between buildings only when the buildings in the development have been chosen on the 8609's as part of a multiple project. Owners should use discretion when transferring households on a mixed-income property.
- On a 100% tax credit property, a recertification is not required by OHFA. Therefore, if a transfer is requested on a 100% tax credit site, in which all buildings have been chosen as part of a multiple building project, as long as the household was not over-income at move-in, the transfer will be allowed by OHFA.

E. Lease Requirements

In general, occupancy must be provided on a non-transient basis to the general public. However, provisions for housing for the homeless and Single Room Occupancy (SRO) developments are contained in 28 U.S.C., Sect. 42(i)(3)(B)(iii) and (iv). This means that, in certain cases, a 30-day lease can be signed by tenants of the low-income portion of the property and still qualify for tax credits. Tenants in all other types of developments must sign an initial lease term of six months, after which a new lease would not need to be executed as long as there are provisions in the initial lease that contain the required lease language that addresses the lease renewal: i.e. month to month leases, six month leases, etc. (for more information see Chapter 4, page 9).

F. Student Households

Households made up entirely of full-time students are not eligible to live in units receiving tax credits. There are five exceptions to the full-time student restriction (Section 42 (i)(3)(D)). These exceptions are described in detail in Chapter 5 Page 17 of this manual. Student status of every household member is required annually by the IRS. (See Appendix G).

G. Felony Status

The question of whether or not any household member has been convicted of a felony is required annually by OHFA. Please see OHFA Chapter 36 Program Rules for requirements and definitions.

H. Available Unit Rule (building rule)

If the household income in a low-income unit increases above 140% of the current maximum allowable income limit, the next available unit of comparable or smaller size in the **building** must be rented to a qualified household in order to remain a set-aside unit. The unit will cease to comply as a low-income unit if any residential rental unit in the building (of comparable or smaller size) is occupied by a new resident whose income exceeds the income limitation.

In 100% LIHTC projects, this rule should have no impact since every unit **must** be rented to tax credit eligible household. In the case a mistake is made and a unit is rented to a market household, all over-income units in that building lose their status. In less than 100% LIHTC projects, market rate units may have to be rented to LIHTC qualified households in order to remain in compliance.

I. Vacant Unit Rule (project rule)

If a low income unit becomes vacant during the year, reasonable attempts must be made to rent that unit or the next available unit of comparable size or smaller size to tenants having a qualifying income before any units of comparable or smaller size in the project are rented to non-qualifying tenants. Note: If the project is a 100% set-aside LIHTC project, non-qualifying tenants are not allowed under any condition without jeopardizing the credit.

OHFA staff will request to see all reasonable attempts that were made to rent a vacant tax credit unit if the unit has been vacant for more than 90 days. The property must document all attempts made and keep documentation on file. Examples of reasonable attempts are: signage, open house, advertising, rent

concessions/incentives, outreach in community, waiting list, retaining marketing consultant in area. Under no circumstances can a tax credit unit be down. Vacant Units must always be available to the general public and suitable for occupancy at all times (i.e. prepared for immediate occupancy). See IRS Reg. 1.42-9 and 42(i) (3) (B) (i-ii) of the Code. OHFA will allow a reasonable period to make- ready a unit. If the Vacant Unit Rule is violated, all vacant units previously occupied by qualified households lose their low income status and are not considered qualified units.

J. Buildings with Four or Fewer Units

Buildings with four or fewer units are not eligible to receive tax credits if the owner of the property, or a relative of the owner, occupies one of the units. An exception exists if the buildings are bought or rehabilitated according to a state, local government, or qualified non-profit's development plan. Developments in this category are subject to limitations on the applicable amount of credit.

K. Equality Between Low-Income and Market-Rate Units

The amount of credit claimed for the low-income units in a development is contingent upon the comparable quality of the low-income and market-rate units. The following conditions apply:

- the low-income units of a development must be intermingled reasonably with all other dwelling units and on all floors of the building(s).
- the low-income units shall be of a quality, and offer a range of sizes and number of bedrooms, comparable to units which are available to other tenants.
- tenants in the low-income units shall have equal access to and enjoyment of all common facilities of the development.
- all units must be maintained to ensure a safe and sanitary condition.

L. Employee/Manager/Exempt-Staff Units

According to Revenue Ruling 92-61, the cost of an employee unit is included in the eligible basis of a building, but excluded from the applicable fraction. This means that a staff person could live on site in a unit without qualifying under the income limits. If an owner is charging rent for an exempt/employee unit, the IRS may determine that the unit is not reasonably required by the project because the owner is not requiring the employee to occupy the unit as a condition of employment. **The owner must request an employee unit through OHFA BEFORE one can be claimed.** Upon approval, owners will be allowed to have an employee unit on site. Employees are always allowed to qualify just as the other low-income households. The purpose of this rule is to allow employees to live on site who can not qualify under the income guidelines and still provide a benefit to the property (i.e. maintenance, security, manager). Effective 02/01/07, rent cannot be charged for an employee unit, whether such rent is paid by the employee or deducted from the employee's paycheck. If an owner is charging rent for an employee unit, the IRS may determine that the unit is not reasonably required by the project because the owner is not requiring the employee to occupy the unit as a condition of employment. By not charging rent, the unit is considered a facility reasonably required for the benefit of the project and the employee is not required to be income qualified. Free or discounted rent to an employee must be included as income if their household is being certified as tax credit qualified. OHFA will not require the owner to pay for the utilities of an employee unit.

On June 2, 2014, the IRS issued PTMA 2014-22. However, pending formal regulatory guidance, OHFA will continue to monitor Employee/Manager/Exempt-Staff Units according to Revenue Ruling 92-61.

M. Model Units

A unit on a tax credit property being claimed as such and being held as a full time model is prohibited. According to the Code, once a unit is tax credit occupied, it will remain as such as long as reasonable attempts are being made to rent that unit to a qualified low-income household and as long as the next available unit of equal or smaller size is occupied by a qualified low income household. If potential tenants request to view a model apartment, OHFA suggests creating a temporary model as long as applicants are aware the unit is available for lease.

N. Homeless Units

Proof of one or more of the following will satisfy the Homeless definition:

- The tenant stayed in a shelter for at least seven (7) consecutive nights. A written statement on letterhead from the shelter manager stating this must be obtained; or
- If the town does not have a shelter, a written statement from a social service agency attesting to the fact that the prospective tenant is homeless, and no shelter exists to adequately shelter their family must be obtained; or
- If the town has a shelter, but it is filled to capacity, a written statement from a social agency attesting to the fact that the prospective tenant is homeless and that the shelters in the immediate area are filled to capacity must be obtained.

A homeless household lacks a fixed, regular and adequate nighttime residence; AND has a primary nighttime residence that is a supervised public or private shelter providing temporary accommodations or a public or private place not ordinarily used as a sleeping accommodation for human beings; OR

An individual or family who has been displaced due to a major disaster declared by the President of the United States AND receives temporary federal housing assistance within the state of Oklahoma AND has a valid personal federal disaster identification number issued by the Federal Emergency Management Agency (FEMA).

Homeless households are considered homeless for a period of twenty-four (24) months from the date of move-in, according to Section 103 of the Stewart B. McKinney Homeless Assistance Act and 42(i) (3) (B) (iii) (I) of the Code.

O. Supportive Services and Programs

If credits were allocated to a development and points were given to an owner that promised to provide supportive services and/or other programs to the residents of the community, these services and programs *must be offered to the current resident(s) no later than after the first household occupies a unit in the project.

Offering programs and services to residents before minimum set aside is met, means to survey and document interest. If an interest is present, program/service must be provided.

Once the property reaches its minimum set-aside, services and programs must be provided, regardless if an interest is present.

P. Special Needs Units / Targeted Populations (i.e. Homeless, Disabled)

Effective 2009 or later, if an owner was awarded credits for special needs units, the units may not be receiving Section 8 Project Based rental assistance to make up for

the lower rent being charged. Effective 2013 or later, if an owner is/was awarded credits for special needs units, the units may not be receiving **any** rental assistance to make up for the lower rent being charged. Effective 01/01/2008, any unit promised in the original application to be set-aside for a special need or targeted population (homeless, disabled etc.) must have been vacant for a period of one year before it can be rented to a tenant that does not have the designated special need. In addition, the owner must show ongoing due diligence in attempting to locate a special needs tenant for the unit. Due diligence must include, but is not limited to, monthly advertisement in a newspaper of general circulation in the area, and proof of at least monthly contact with providers of services for individuals with the designated special need or targeted population, including advising such providers of the number and size of units available, the rents charged for the units, and the income limits for prospective tenants. Service providers must also be contacted immediately upon a specials needs unit becoming available.

OHFA may waive this requirement if the owner can demonstrate that continued compliance with this policy may cause a unit to lose tax credits or rental subsidy, but in no case will the requirement be waived if the unit has been vacant for less than 60 days. The waiver request must be submitted in writing to OHFA staff. *If special needs or targeted population households do not occupy the number of units promised in the application upon approval of a waiver or the expiration of the one year period, the next available unit must be marketed to a special needs or targeted population household.*

Service Animals:

Service animals are allowed with proper documentation by a qualified professional.

Pet deposits are not allowed for service animals.

5. Placing a Property in Service

The minimum set-aside test must be met by the end of the first year of the credit period. This can be the year the building was actually placed in service or the next year. This is at the election of the owner. A building must be placed in service a FULL month before credits can be claimed.

A. **New Construction**

The placed in service (PIS) date is after the certificate of occupancy is issued. As the units are ready to be rented, they must be leased to households whose income is certified at or below the maximum income limits or credits can not be claimed on the unit for that time.

B. **Acquisition/Rehab Properties**

The PIS date is an arbitrary one. If the building is inhabited, the initial certification can be completed within 120 days after the date of acquisition using the income limits in effect on the day of acquisition.

Under Rev. Proc. 2003-82, a unit occupied before the beginning of the credit period will be considered a low-income unit at the beginning of the credit period, even if the household's income exceeds the income limit at the beginning of the first year of the credit period, if two conditions related to income qualifications are met, and the unit is rent restricted.

For households occupying a unit at the time of acquisition by the owner, the initial tenant income certification is completed within 120 days after the date of

acquisition using the income limits in effect on the day of acquisition. The effective date of the tenant income certification is the date of acquisition since there is no move-in date.

In the event that the household occupies a unit at the time of acquisition, but the tenant income certification is completed more than 120 after the date of acquisition, the household is treated as a new move-in. Owners use the income limits in effect at the time of the tenant income certification and the effective date is the date the last adult member of the household signed the certification, (this is an exception to the general rule for effective dates because there is no move-in date).

When the household moves into a unit after the building is acquired but before the beginning of the first year of the compliance period, the tenant income certification is completed using the income limits in effect at the time of the certification and the effective date is the date the household moves into the unit.

If the original owner re-syndicates with rehab credits, and if a resident's income was over 140% of their income limit at their most recent recertification, the owner is subject to available unit rule for the new credit allocation. The owner must rent next available unit to an LIHTC resident to maintain the applicable fraction needed to produce the anticipated tax credit for the new allocation. Vacant units previously occupied by income qualified households continue to quality for the LIHTC program under the Vacant Unit Rule. The new owner must calculate the applicable fraction on a month-by-month basis for year one as required under the first year reporting convention. Resident originally qualified during the initial compliance or extended use period is eligible provided that the owner has supporting documentation in resident file.

i. **Rev-Proc 2003-82 (Safe Harbor):** This procedure applies for buildings that begin their credits in the deferred year. This is a "safe harbor" procedure that is to be applied if the property has households occupying units whose incomes exceed 140% of the maximum income limit at the beginning of the deferred year. The AVAILABLE UNIT RULE must be applied at the beginning of the deferred year. The household will not need to vacate.

ii. **Things to Consider:** It is highly recommended to consult a LIHTC attorney for specific program details and guidance in lease up or PIS for Acquisition/Rehab Properties.

   i. Meet/talk with investors.
   ii. Read 8823 Audit Guide, Chapter 4 and Understand Uniform Relocation Act (URA) of 1970.
   iii. Review all resident files and diligently track resident relocation.
   iv. Meet with residents.
   v. Be prepared to implement all necessary (if applicable) income limit or rent decreases.

6. Determining Family Income

All families occupying a low-income residential rental unit in a building receiving tax credits must declare all sources of income that are received by the household. The total household income must be at or below the income limits established by the Code.

Income limits can be found of OHFA's website at:
http://www.ok.gov/ohfa/Property_Owners_&_Managers/Affordable_Housing_Tax_Credits_/Tax_Credit_Income_&_Rent_Limits.html

The owner must determine if a family earns the correct amount of annual income to be eligible to live in the tax credit development. Determination and the verification requirements of income are discussed in detail in Chapter 5 of this manual.

7. Live-In Aide

A person who resides with one or more elderly persons, near-elderly persons, or persons with disabilities, and who:

1. Is determined to be essential to the care and well-being of the persons;
2. Is not obligated for the support of the persons; and
3. Would not be living in the unit except to provide the necessary supportive services.

8. Training Opportunities

All new to LIHTC Compliance in the state of Oklahoma are encouraged to attend OHFA annual sponsored Tax Credit Training. All current site management staff are also encouraged to attend every few years at a minimum. Information will be posted and updated to OHFA website which can be found at: ohfa.org.

Rent Restrictions and Lease Requirements

1. Rent Restrictions

To ensure that Housing Tax Credit units are affordable to low-income residents, OHFA calculates income limits based upon the Area Median Gross Income that HUD publishes each year, to establish the maximum rents that owners can charge for these units. The agency updates the rent limits each year based on changes in area income figures.

It is the Owner's responsibility to ensure the accuracy of the rent and income limits that are used to establish eligibility for each of its Tax Credit units.

Special Note: *Owners of developments that received Tax Credits in 1987 through 1989 were given the option of selecting the method of determining rent based on unit size or based on household size.*

2. Maximum Allowable Rents for TC Units

To determine the maximum allowable rent for a TC unit, owners must:

1. Use the corresponding set of rent limits for the development (60 % of area median income or 50 % of area median income).
2. Refer to the appropriate LIHTC rent limit. (Chart provided by OHFA can be found in Appendix A, and is subject to change.)
3. Choose rent limits that apply to the county where the development is located.
4. If the resident pays any of his or her own utilities, subtract the appropriate utility allowance.

This amount represents the maximum allowable rent the owner can charge the resident of a Tax Credit unit.

3. Rental Application Fees

Effective 10/01/07, application fees will be limited to a maximum of $30.00 per adult household member. This is in addition to the existing rule that no application fees may be charged in excess of the average expected out-of-pocket costs of checking tenant qualifications. Application fees may only be charged to cover the actual costs of checking a prospective tenant's income, credit history, landlord references, and criminal background. Employee time expended in checking tenant qualifications cannot be included.

4. Optional Services Available to Residents

Owners/managers may charge fees for optional services provided to residents (meals, transportation, pets, etc.), as long as they are optional. These fees are not included in the rent amount restricted by Tax Credit rent limits, but must be reasonable and customary for the local area.

A washer/dryer hookup fee, built in storage room fee, and month to month fee are considered non-optional and will be considered rent. Fees that are non-refundable and a condition of occupancy are included in rent.

**Note: You may charge a refundable pet deposit. However, this is not applicable to service animals.

5. Charges for Development Facilities

Owners/managers may not charge fees for use of development facilities, such as garages or swimming pools, which were included in the eligible basis for the development.

Owners/managers may charge fees for the use of optional development facilities as long as the facilities were not included in the eligible basis for the development. The fees for optional facilities will not be included in the restricted rent amount. If the facilities are not optional, any fees charged for use of these facilities will be considered part of the rent that is restricted by the maximum allowable rent for that unit.

6. Rents for Units Receiving Assistance

Tax Credit rent limitations apply only to the tenant-paid portion of the rent. They do not cover the portion of unit rents paid by Section 8 rental assistance or any other comparable rental assistance. The Housing Choice Voucher Program limits the family's portion of the rent to no more than 40 % of their monthly adjusted income during the initial term of the lease. See Chapter 3 "Special Needs Units" on how to treat rental assistance for such.

**The actual rent for the unit may be higher than the Tax Credit limit, but may not exceed the rent limit of the program providing tenant assistance.*

Owners of RD sites must pay the overage back to RD to be in compliance. The portion of rent paid by Section 8 tenants can exceed the LIHC rent ceiling as long as the owner receives a Section 8 assistance payment on behalf of the resident.

Check with the subsidy provider to assure this is allowed. If no subsidy is provided, the tenant may not pay more than the LIHC rent ceiling. See IRC 42(g)(2)(E). Rent cannot exceed the LIHC rent ceiling for a new move-in or initial TIC.

7. Changes Affecting Allowable Rents for TC Units

The Tax Credit rent limits and utility allowances that apply to TC units will change periodically. When this happens, the maximum allowable rents for TC units also change. This section describes the circumstances when these changes occur and how to properly adjust unit rents.

A. Annual Revisions to LIHTC Rent Limits

Each year, OHFA will revise the Housing Tax Credit rent limits applicable to developments in Oklahoma based on changes in area median incomes. The revisions will be made after HUD publishes its updated income figures. HUD generally issues these figures during the first half of the year. The existing limits may be used until the later of:

- Effective date of new limits
- 45 days after HUD publication effective date

B. HUD Hold Harmless "HERA Special" Limits

In 2007 and 2008, HUD modified the methodology used to calculate AMGI to include additional data sources. In some areas, the change in methodology resulted in a significant decrease in the area's median gross income. As a result, HUD used a "hold harmless" policy to keep the AMGI at the existing level (the HUD hold harmless policy).

A site may use the HERA Special limits if at least one building included in the same project, per Line 8b of the 8609 Form, was placed in service on or before 12/31/2008. The owner of an acquisition/rehab project may use the HERA Special income limits if its acquisition credits were placed in service by 12/31/2008.

Buildings placed in service on or after 01/01/2009 through 05/13/2010 may use the greater of the FY2009, FY2010, FY2011, or FY2012 non-HERA limits.
Buildings placed in service on or after 05/14/2010 through 05/30/2011 may use the greater of the FY2010, FY2011, or FY2012 Non-HERA limits.
Buildings placed in service on or after 05/31/2011 through 11/30/2011 may use the greater of the FY 2011 or FY 2012 Non-HERA limits.

Buildings placed in service on or after 12/1/2011 must use the published FY2012 limits.

C. National Nonmetropolitan Median Gross Income

Effective July 30, 2008, rural projects (as defined in IRC 42(d)(5)(B)(iv)(IV)) are able to use the greater of the area median gross income (AMGI) or the National Nonmetropolitan Median Gross Income (NNMGI). *If a site is qualified as rural and located in a MSA, the site* ***is eligible*** *to use the NNMGI limits.* To determine if an area is qualified as rural, use the USDA's determination of rural, go to the website at http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do?pageAct **This does not apply to 4% Tax Exempt Bond financed properties.** If a site is subject to the HERA Special limits and the NNMGI limits, the greater of the two limits may be used.

D. Adjusting Unit Rents

If a decrease in Housing Tax Credit rent limits result in lower maximum allowable rents for TC units, owners are required to bring the rents for TC units into compliance with the new rent limits at the time they become effective.

When Housing Tax Credit rent limits increase, owners can raise the rents for TC units, up to the amount of the new limit, after taking into account the necessary allowance for tenant-paid utilities. However, any adjustments in a unit's rent must be consistent with the dwelling lease for the unit. Unless specifically stated in the dwelling lease, owners may not raise unit rents until a new lease term begins.

E. Rent Floors

When annual adjustments are made in Tax Credit rent limits, it is possible that rents can go down. However, Housing Tax Credit regulations have established a floor to protect owners from decreasing rents. Tax Credit regulations protect owners who received allocations in 1990 or later years by establishing a rent floor that keeps the applicable Tax Credit rent limits for the development from dropping below the rent limits that were in effect on the date the initial Tax Credit allocation was made to the building/development.

In determining the maximum allowable rent for a TC unit, the current utility allowance is always subtracted from the rent limit — regardless of whether the rent floor or the current rent limit is used.

F. Rents for TC Units with Over-Income Tenants

As discussed in Chapter 5, owners/managers must conduct annual re-examinations of tenants in TC units to assess their continued eligibility. Changes in household composition or increases in income can affect a tenant's eligibility. Tenants whose income at re-examination exceeds 140 % of the applicable income limit are considered over-income and the unit is an over-income TC unit. The rent for an over-income unit remains restricted until the unit is no longer counted as a TC unit.

1. Mixed Income Developments

In a building with fewer than 100 % TC units, if a tenant's income exceeds 140 % of the applicable limit at recertification, the unit remains a TC unit until the next available unit in that building, which is of comparable or smaller size, is designated to replace this unit. Once an over-income TC unit is replaced, the rent for that unit is no longer restricted under Tax Credit requirements. Rent increases, if any, should comply with lease provisions and local tenant-landlord laws.

2. 100 % Low-Income Developments

In buildings that consist of 100 % TC units, unit rents may never exceed the maximum allowable rent for TC units, even if tenant incomes increase.

G. Developments Receiving Other Forms of Assistance

Like the Housing Tax Credit Program, most federal affordable housing programs restrict the rents that property owners may charge eligible tenants. When developments receive more than one type of assistance, owners must follow the most stringent program guidelines.

8. Utility Allowances

Tenants responsible for utilities must be paying the utilities directly to the utility providers. An averaged third party billing system is not allowed.

Tax Credit rent limits include an allowance for the cost of utilities (e.g., heat, lights, air conditioning, water, sewer, oil or gas). In developments where the owner pays all utilities, no adjustment in the tax credit rent limits is needed to determine the maximum rent that can be charged for a tax credit unit. In developments where tenants pay some or all of their own utilities, the rent established for a tax credit unit plus an allowance for tenant-paid utilities must not exceed the applicable tax credit rent limit for that unit. In other words:

- *Unit Rent + Utility Allowance < Tax Credit Rent Limit*

When using the PHA utility allowance, the proper usage type must be determined, multi-family or single-family.

A. **Multi-family** is used when there are other households living above a unit or there is a space designated for a separate household. This would be for 2 story buildings and above (i.e. low-rise and high-rise).

B. **Single-family** is used no matter how many levels a unit has, as long as it is intended for one household (i.e. house, duplex, row house, town house).

The method of determining utility allowances depends on the type of development receiving credits (IRS Regulation 1.42-10).

1. RHS Assisted Buildings: The utility allowance used for these units is determined under the method prescribed by the Rural Housing Service (RHS) for the building.
2. Buildings with RHS-Assisted Tenants: If any tenant in a building receives RHS rental assistance payments, all housing credit units are governed by the RHS utility allowance. This includes HUD assisted units.
3. HUD-Regulated Buildings: If rents and UA's are subject to HUD review on an annual basis, the HUD required allowances must be used for all rent restricted units in a building. (Buildings that contain units leased to tenants holding Section 8 vouchers but receiving no project-based HUD assistance falls into the "other buildings" category below).
4. Other Buildings: If a building has none of the above, the UA that applies to tax credit units is determined as follows:
    a. <u>Tenants receiving HUD (section 8) Rental Assistance</u>: If a tenant is receiving HUD rental assistance (i.e. Section 8 vouchers) the applicable Public Housing Authority (PHA) utility allowance MUST be used. You can find a copy of the PHA utility allowance chart in Appendix B. NOTE: PHA utility allowances are subject to change.
    b. All Other Tenants in Rent Restricted Units: The applicable PHA utility allowance should be used for all other rent restricted units in the development unless another option is selected.

C. Utility Allowance Options

All utility allowances need to be updated annually. Any changes in applicable utility allowances will impact the maximum allowable rents for TC units. <u>Even if a</u>

resident is on a lease, the owner must implement the current UA's. If the UA goes up, the rent must go down if the tenant is charged the maximum allowed rent.

- Each year, local PHAs revise their standard utility allowances. Owners who rely on PHA figures must adopt these new allowances no later than 90 days after the effective date (see pages 5 thru 8 of this chapter for more information on utility allowances).
- For buildings receiving other federal assistance, the administering agency will provide annual utility allowance updates.
- **When the applicable utility allowance for a tax credit unit increases, the owner must reduce the rent for the unit, if needed, to make it consistent with the maximum allowable rent under the new utility allowance within 90 days after the date of the change.** To summarize, any increase in UA's must be used to reduce the net rent paid by ALL low income tenants within 90 days of the change. **If at any time a low-income tenant is over the maximum rent limit (net rent + current UA > max rent), the owner will be out of compliance.**
- Owners should instruct the on-site personnel as to which method is used to determine the allowance for their property. Copies of the applicable utility allowance for all years of operation must be kept on site.
- If the resident rent is not affected, a new Tax Credit TIC does not need to be completed until the next recertification, if applicable.

Effective 07/29/08, additional options have been added to determine more accurate utility allowances for housing credit buildings that are not subject to the RHS, PHA, or HUD approved UA. If any of these options, described below, are obtained for any unit in the building, this estimate becomes the applicable utility allowance for all rent restricted units of similar size and construction in the building.

1. **Utility Company Estimate**: The actual usage estimate from the local utility provider. If an area has utility deregulation, an estimate from only one company serving the area is required. The utility provider must provide an estimate for each unit size on the property requested. The actual utility cost of a random sampling of units (minimum 20%) at the subject property (by bedroom type) and occupied for all 12 months may be used. Copies of calculations must be provided to OHFA at inspections

and upon request. If the provider refuses there are other options available to the owner.

2. **HUD Utility Schedule Model**: An owner may calculate a utility estimate using the HUD model found at www.huduser.org/datasets/lihtc.html. ***This estimate must be approved in advance by OHFA.***
3. **Energy Consumption Model**: This estimate uses an energy, water, and sewage consumption analysis model. This model must be prepared by a professional engineer or other qualified person that has no identity of interest relationship with the owner. ***This estimate must be approved in advance by OHFA.***

D. **Notification Requirements**:
If the owner obtains a utility allowance from a Utility Company, the HUD Utility Schedule Model, or the Energy Consumption Model, the owner must:

(1) submit copies of the utility estimates to the Tax Credit Compliance Department having jurisdiction over the building and
(2) make the utility estimate available to all tenants in the building at the beginning of the 90 day period.

**Utility allowances must be implemented no later than 90 days from when the utility allowance is made available.*

If an owner obtains a utility estimate from a local utility company or state/local housing credit agency, the 90-day period will begin with the receipt of the information. The date of receipt is determined based on the date of the correspondence.

The building owner is not required to review the UA's or implement new UA's, until the building has achieved 90 % occupancy for a period of 90 consecutive days or the end of the first credit year, whichever is earlier. A building owner must review, at least once during the calendar year, the basis on which utility allowances have been established and must update the applicable UA's.

9. Dwelling Lease Requirements
Owners must execute a lease with tenants occupying TC units. LIHTC gives owners flexibility regarding the contents of their leases as long as they:

- Comply with state and local laws; and

- Do not contain prohibited provisions.
- The Lease Contract must have an addendum disclosing that the Owner is participating in a government-regulated affordable housing program and that execution of same is verification of the household annual income, that the Resident agrees to comply with requests for information regarding annual income and eligibility, and that failure to answer or to provide accurate information respecting same is a substantial violation of the Lease Contract and the tenant can be evicted. **The Tax Credit Lease Addendum with the appropriate language can be found in Appendix K.** The lease language must include a statement by the household that they agree to notify the owner if any member becomes a full time student or convicted of a felony.

OHFA requires the head of household, spouse, any co-head, and all adult members of the household to sign the lease at move-in as well as any lease renewals.

A. Term of Lease

The only way to satisfy this requirement is to use an initial lease term of at least six months. In order to simplify record-keeping, owners may want to put TC unit tenants on annual leases that correspond to their recertification dates. **Remember that a cost of re-letting is prohibited. Sub-leasing is prohibited in a tax credit unit.**

OHFA wants to see that the intent is present to occupy a unit for a full 6 months, thus preventing transient housing. It is permissible to hold a resident responsible through the end of a lease term.

B. Prohibited Lease Provisions (Landlord Tenant Act)

Lease provisions not allowed under other federally-related affordable housing programs may not appear in the dwelling lease for any TC unit. Prohibited provisions include:

Agreement to be sued. Agreement by the tenant to be sued, admit guilt or to a judgment in favor of the owner in a lawsuit brought in connection with the lease.
Treatment of property. Agreement by the tenant that the owner may take, hold or sell personal property of household members without notice to the tenant and a court decision on the rights of the parties. This prohibition, however, does not apply to an agreement by the tenant concerning the disposition of personal property remaining in the unit after the tenant has moved out. The owner may dispose of this

personal property in accordance with State Law.
Excusing the owner from responsibility. Agreement by the tenant not to hold the owner or the owner's agents legally responsible for actions or failure to act, whether intentional or negligent.
Waiver of notice. Agreement by the tenant that the owner may institute a lawsuit without notice to the tenant.
Waiver of legal proceedings. Agreement by the tenant that the owner may evict the tenant or household members without instituting a civil court proceeding in which the tenant has the opportunity to present a defense or before a court decision on the rights of the parties.
Waiver of a jury trial. Agreement by the tenant to waive any right to a jury trial.
Waiver of right to appeal court decision. Agreement by the tenant to waive the tenant's right to appeal or otherwise challenge in court a decision in connection with the lease.
Tenant chargeable with cost of legal actions regardless of outcome. Agreement by the tenant to pay attorney fees or other legal costs even if the tenant wins the court proceeding by the owner against the tenant. The tenant, however, may be obligated to pay costs if the tenant loses.

C. State and Local Law

In addition to keeping up-to-date with LIHTC regulations and requirements, OHFA expects owner/managers to stay abreast of state and local law concerning the management and operation of rental properties.

DETERMINING TENANT ELIGIBILITY FOUR STEPS

(These steps should be completed in this exact order)

1. Complete Rental Application
2. Compare Income to LIHTC Limits
3. Verify **all** Annual Gross Income
4. Complete Tenant Income Certification

IF YOU ARE NOT USING THE REQUIRED OHFA FORMS, THE FORMS YOU ARE USING ALONG WITH JUSTIFICATION FOR THE USE OF THOSE FORMS MUST BE SUBMITTED TO OHFA IN WRITING FOR APPROVAL.

The required forms can be found in the appendices in the back of the book:

Under 5K Asset Certification	Appendix D, if applicable.
Student Verification	Appendix E, if applicable.
Employment Verification	Appendix F
Zero Income Certification	Appendix F, if applicable.
*Tenant Income Certification	Appendix G
OHFA Household Information Form	Appendix G (if eliminating recertification)

**Rural Housing may use the Rural Housing TIC, however the OHFA Tax Credit effective date is ALWAYS the move-in date or the anniversary of, regardless of RD requirements.*

Effective 01/01/2008, all applicable re-certifications, must be completed within 120 days of the anniversary date of move-in.

STEP 1: COMPLETE RENTAL APPLICATION

A. Determine Household Eligibility

- Who to count:
  - Year-round occupants
  - Members temporarily away (children away at school or family member working in another state on assignment)
  - Children under joint custody or whom are present in the household 50% or more of the time, if a question about status arises additional records may be requested (ie. Court documents, tax returns)
  - Children temporarily absent due to foster home placement
  - Children in the process of being adopted
  - Unborn Children (self-certification)
  - *Foster Children or Adults
- Don't count:
  - Live-in aides

**Effective 08/01/09, HUD states unearned income of foster child(ren) and all income from foster adult(s) is counted toward the total household income.*

B. Evaluate Annual Income

Definition of Annual Income: Annual income is the current (verifiable and guaranteed) income from all sources received by the head of household and each additional member of the household, including all income derived from assets. Use current circumstances unless there is documentation of an imminent change. Owners are not required to anticipate income for members of the household that are currently unemployed. However, owners should ask the appropriate questions regarding whether or not an unemployed household member is planning to seek employment. If a household is accepted as low-income and subsequently becomes over-income, the owner should be prepared to prove due diligence. If a person is actively seeking employment but is currently unemployed, the owner/mgmt is allowed to be more restrictive than the state and determine that household is not qualified. The IRS Notice 88-80 states that annual income should be determined in a manner consistent with HUD Section 8 income. The HUD Handbook 4350.3 REV-1 Change-3, Chapter 5 should be used to determine income. This handbook can be found by going to: http://www.hud.gov click on "Housing Handbooks" and then on 4350.3 "Occupancy Requirements of Subsidized Multifamily Housing Programs".

Income from the following MUST be counted:

1. **Regular Income**: (page **4-8** inclusions and exclusions)
    - The income of every person, age 18 or older, should be included in the income calculation.
    - The income of any minor who is considered the head of household, co-head, or spouse.
    - The non-employment income of household members under age 18.

2. **Asset Income**: (page 11-inclusions and exclusions)
    - Cash on Hand
    - Checking Account
    - Savings Account
    - Real Estate

Convert earned income to annual income as follows:

- Multiply hourly wages by the number of hours worked/year (2080 hours for full-time employment for a 40-hour work week).
- Multiply weekly wages by 52.
- Multiply bi-weekly wages by 26.
- Multiply semi-monthly wages by 24.
- Multiply monthly wages by 12.
- Multiply Overtime hours by rate given by employer.

To calculate an annual income amount for a household member with other than full-time employment, multiply:

- hourly wages by the number of hours the family member expects to work annually; or
- average weekly amounts by the number of weeks the family member expects to work.
- overtime hours that are verified by employer.

All Adult members, 18 and older, must sign an application and answer all required questions.

INCOME INCLUSIONS
24 CFR 5.609(b) and (c)

1. The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions fees, tips and bonuses, and other compensation for personal services;
2. The net income from operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in operation by family.
3. Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation is permitted only as authorized in paragraph (2) above. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursements of cash or assets invested by the family. Where the family has net family assets in excess of $5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of value of such assets based on the current passbook savings rate, as determined by HUD;
4. The full amount of periodic amounts received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount (e.g., Black Lung Sick benefits, Dependent Indemnity Compensation, payments to the widow of serviceman killed in action). Do not count any remaining retirement benefit amounts in the account as an asset if periodic payments are received. See paragraph 13 under Income Exclusions for an exception to this paragraph.
5. Payments in lieu of earnings, such as unemployment, disability compensation, worker's compensation,
6. Welfare Assistance.
    a. Welfare assistance received by the family.
    b. If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the

welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income shall consist of:

i. The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; plus
ii. The maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph shall be the amount resulting from one application of the percentage;

7. Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling; and
8. All regular pay, special pay, and allowances of a member of the Armed Forces, except as provided in paragraph (7) under Income Exclusions.
9. The first $480 of earned income of a full-time student, 18 years or older, who is not the head, spouse, or co-head.
10. Student financial assistance for students receiving Section 8 assistance (see #6 income exclusions).

INCOME EXCLUSIONS

1. Income from employment of children (including foster children) under the age of 18 years
2. Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone);
3. Lump- sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains, and settlement for personal or property losses, except as provided in paragraph (5) under Income Inclusions;
4. Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
5. Income of a live-in aide, as defined in 24 CFR 5.403;
6. The full amount of student financial assistance for the student receiving Section 8 assistance if recipient is over age 23 with dependent child(ren) or recipient is living with his or her parents who are receiving Section 8 assistance. See Income Inclusion #10.
7. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire (e.g., in the past, special pay included Operation Desert Storm);
8. Amounts received under training programs funded by HUD (e.g., training received under Section 3);
    a. Amounts received by a person with a disability that are disregarded for a limited time for purposes of supplemental security income eligibility and benefits because they are set-aside for use under a Plan to Attain Self-Sufficiency (PASS);
    b. Amounts received by a participant in other publicly assisted programs that are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;
    c. Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed $200 per month) received by a resident for performing a service for the owner, on a part-time basis, that enhances the quality of life in the project. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, and resident-initiative coordination. No resident may receive more than one such stipend during the same period of time; or

d. Incremental earnings and benefits resulting to any family member from participation in qualifying state or local employment training programs (including training programs not affiliated with a local government) and training of a family member as a resident management staff person. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment training program.

9. Temporary, nonrecurring, or sporadic income (including gifts);
10. Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era. (Examples include payments by the German and Japanese governments for atrocities committed during the Nazi era);
11. Earnings in excess of $480 for each full-time student 18 years or older (excluding the head of household and spouse);
12. Adoption assistance payments in excess of $480 per adopted child;
13. Deferred periodic amounts from supplemental security income and social security benefits that are received in a lump-sum amount or in prospective monthly amounts;
14. Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit;
15. Amounts paid by a state agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or
16. Amounts specifically excluded by any other federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that include assistance under any program to which the exclusions set forth in 24 CFR 5.609© apply. A notice will be published in the Federal Register and distributed to housing owners identifying the benefits that qualify for this exclusion. Updates will be published in distributed when necessary. The following is a list of income sources that qualify for the exclusion:
    a. The value of the allotment provided to an eligible household under the Food Stamp Act of 1977 (7 U.S.C. 2017[b]);
    b. Payments to Volunteers under the Domestic Volunteer Services Act of 1973 (42 U.S.C. 5044(g)(5058)(employment through AmeriCorps, Volunteers in Service to America [VISTA], Retired Senior Volunteer

Program, Foster Grandparents Program, youthful offender incarceration alternatives, senior companions);

c. Payments received under the Alaska Native Claims Settlement Act (43 U.S.C. 1626[c];
d. Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes (25 U.S.C. 459e);
e. Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program (42 U.S.C. 8624[f]);
f. Income derived from the disposition of funds to the Grand River Band of Ottawa Indians (Pub. L-94-540, 90 Stat. 2503-04);
g. The first $2,000 of per capita share received from judgment funds awarded by the Indian Claims Commission or the U.S. Claims Court and the interests of individual Indians in trust or restricted lands, including the first $2,000 per year of income received by individual Indians from funds derived from interest held in such trust or restricted lands (25 U.S.C. 1407-1408);
h. Amounts of scholarships funded under Title IV of the Higher Education Act of 1965, including awards under federal work-study programs or under the Bureau of Indian Affairs student assistance programs (20 U.S.C. 1087uu). For Section 8 programs, the exception found in § 327 of Public Law 109-115 applies and requires that the amount of financial assistance in excess of tuition shall be considered income in accordance with the provisions codified at 24 CFR 5.609(b)(9), except for those persons with disabilities as defined by 42 U.S.C. 1437a(b)(3)(E) (Pub. L. 109-249);
i. Payments received from programs funded under Title V of the Older American Act of 1985 (42 U.S.C. 3056[f]}, e.g., Green Thumb, Senior Aides, Older American Community Service Employment Program;
j. Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in In Re Agent-product liability litigation, M.D.L. No. 381 (E.D.N.Y.);
k. Payments received under the Main Indian Claims Settlement Act of 1980 (25 U.S.C. 1721);
l. The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858q);

m. Earned income tax credit (EITC) refund payments received on or after January 1, 1991, including advanced earned income credit payments (26 U.S.C.32[j]);
n. Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation (Pub. L. 95-43);
o. Allowances, earnings, and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 U.S.C. 12637[d]);
p. Any amount of crime victim compensation (under the Victims of Crime Acts) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of crime against the applicant under the Victims of Crime Act (42 U.S.C. 2931).
q. Allowances, earnings, and payments to individuals participating in programs under the Workforce Investment Act of 1998 (29 U.S.C. 2931);
r. Amounts received under the School Lunch Act and the Child Nutrition Act of 1966 (42 U.S.C. 1780(b)), including reduced-price lunches and food under the Special Supplemental Food Program for Women, Infants, and Children (WIC);
s. Payments received by members of the Seneca Nation under the Seneca Nation Settlement Act of 1990;
t. Payments from any deferred Department of Veteran Affairs disability benefits that are received in a lump-sum amount or in prospective monthly amounts [Editor's note: This exclusion will be added to 24 CFR 5.609(c)(14) when the May 15, 2012, proposed rule "The Housing and Economic Recovery Act of 2008 (HERA): Changes to the Section 8 Tenant-Based Voucher and Section 8 Project-Based Voucher Programs" is finalized.];
u. Amounts received by or on behalf of a veteran for service-connected disability, death, dependency, or indemnity compensation if the recipient is assisted under a program authorized by the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA);
v. A lump sum or a periodic payment received by an individual Indian pursuant to the class action settlement agreement in Elouise Cobell et al. v. Ken Salazar et al., as provided in the Claims Resolution Act of 2010.

C. Evaluate Asset Income

The method of calculation depends on the value of the assets.

If Total Value of Assets Does Not Exceed $5,000: Count the actual income from assets received by the household (i.e., interest, dividends, cash payments). Third-party verification is not required and the tenant would sign an Under $5,000 Asset Verification Form (a sample form can be found in Appendix D) establishing the total value of assets and the expected asset income. This expected amount must be counted as income.

If Total Value of Assets is Greater Than $5,000: The assets must be verified by third party verification and the amount counted as income would be the greater of actual income from assets (e.g., interest, dividends, cash payments) or imputed income from assets (total value of assets x current passbook rate). At the current time, the HUD passbook rate is 0.06% (NOTE: This amount is subject to change).

D. GUIDELINES FOR DETERMINING VALUE OF ASSETS

Valuing Assets. In determining income from assets, owners must use the cash value of the asset (i.e., the amount the family would receive if the asset were converted to cash). Cash value is the market value of the asset minus reasonable costs that were or would be incurred in selling or converting the asset to cash.

Expenses which may be deducted include:

- penalties for withdrawing funds before maturity;
- broker/legal fees assessed to sell or convert the asset to cash;
- settlement costs for real estate transactions.
- loans on the asset (for business loans, only subtract interest paid on, unless used for business expansion or capital improvement.

Note: Cash Value is found by subtracting costs and expenses from Market Value.

Value of Assets Owned Jointly. If assets are owned by more than one person, prorate the assets according to their percentage of ownership. If no percentage is specified or provided by State or local law, prorate the assets evenly among all owners.

Value of Assets Disposed of For Less Than Fair Market Value. Count the asset for two years from date of disposal on the certification or recertification, including assets put into non-revocable trusts.

Use the following procedures in determining the value of disposed assets:

- If the fair market value of the disposed asset exceeds the gross amount the family received by more than $1,000, include the difference between the cash value and the amounts received. If the difference is less than $1,000, ignore it.

- Do NOT consider assets disposed of for less than fair market value as a result of a foreclosure, bankruptcy, or a divorce or separation settlement.

EXAMPLE OF ASSET DISPOSED OF FOR LESS THAN FAIR MARKET VALUE: Mrs. Smith had $8,000 in the bank. She decided to give half of it to her daughter and to keep the other half. The fair market value of the disposed asset is $4,000, which exceeds the amount she received by more than $1,000. Therefore, the owner is required to count the $4,000 she gave to her daughter as an asset for a period of two years. The other $4,000 is still in the bank and the owner will count it as a current asset.

EXAMPLE OF ASSET DISPOSED OF FOR LESS THAN FAIR MARKET VALUE: Mr. Grant had a stamp collection valued at $995 which he gave to his son. Since the fair market value of the stamp collection is less than $1000, this would not be considered an asset disposed of for less than fair market value because its value is less than$1,000.

Rental Property Income: Determine cash value of rental property and consider rental income as asset income. (To avoid double counting)

1. Determine cash value of property.
2. Determine asset income. (Verify amount owner receives from tenant and subtract expenses incurred as part of operations. Expenses include: insurance, taxes, mortgage interest, utility bills etc.)

1. Pre-Paid Debit Cards

The IRS has recently provided guidance to count the balances of pre-paid debit cards as assets. These include debit cards issued for Social Security, child support and paychecks. The amount remaining on the debit card upon move-in is an asset equivalent to a bank account. The balance on the card will need to be verified only if the total household assets exceed $5,000. This is treated the exact way as a checking account. Make sure this question is asked on rental application as well.

2. ASSET INCLUSIONS AND EXCLUSIONS

ASSETS INCLUDE:

1. Cash held in savings and six month balance in checking accounts, safety deposit boxes, homes, etc.
2. Stocks, bonds, saving certificates, money market funds and money market accounts.
3. Equity in real property or other capital investments. Equity is the estimated current market value of the asset less the unpaid balance on all loans secured by the asset and reasonable costs (such as broker fees) that would be incurred in selling the asset.
4. Revocable trusts. The cash value of trusts that are available to the household.
5. IRA, Keogh and similar retirement savings accounts, even though withdrawal would result in a penalty unless benefits are being received through periodic payments. (See #4 of Income Inclusions for retirement periodic payments).
6. Contributions to company retirement/pension funds that can be withdrawn without retiring or terminating employment.
7. Cash value of life insurance policies. Assets which, although owned by more than one person, allow unrestricted access by the applicant.
8. Lump sum receipts such as inheritances, capital gains, lottery winnings, insurance settlements, and other claims.
9. Personal property held as investments such as gems, jewelry, coin collections, antique cars, etc.
10. Assets disposed of for less than fair market value during two years preceding certification or recertification.
11. A mortgage or deed of trust held by the applicant.
12. Pre-paid debit cards for Social Security, child support and paychecks.

3. ASSETS DO NOT INCLUDE:
   1. Necessary personal property, except as noted in #9 above.
   2. Interest in Indian trust lands.
   3. Assets that are a part of an active business or farming operation.
   - NOTE: Rental properties are considered personal assets held as an investment rather than business assets unless real estate is the applicant's/tenant's main occupation.
   4. Assets not accessible to the family and which provide no income for the family.
   5. Vehicles especially equipped for the handicapped.
   6. Equity in the cooperative unit in which the family lives.
   7. Term life insurance policies (i.e. where there is no cash value)
   8. Assets held in the applicant's name but which are actually owned by someone else;
      a. Assets and any earned income that is accrued or paid to the benefit of someone else;
      b. A situation wherein another person is responsible for income taxes incurred on income generated by the assets; or
      c. If the applicant is responsible for disbursing someone else's money, such as in the case of having the Power of Attorney, but the money is not his/hers and no benefit is received.

3. SAMPLE ASSET WORKSHEETS

House Not Rented or Sold Yet

Asset:		Value:	Imputed Income:	Actual Income:
			(value x 0.0006%)	
Checking Account				
(verify avg. last 6 mos.)		$225		$0
Savings Account (verify current mo.)		$2,500		$125
House:				
market value	$65,000			
mortgage bal.	-20,000			
expenses	-6,500			
cash value	**$38,500**	$38,500	$0	$0
TOTAL (add higher total to gross income)		$41,225	**$24.74**	$125
			USE	

NOTES:

SAMPLE ASSET WORKSHEET
House Rented

Asset:			Value:	Imputed Income:	Actual Income:
				(value x .06%)	
Checking Account			$225		
(verify avg. last 6 mos.)					
Savings Account (verify current mo.)			$2,500		
House					
Rent amount:	$8,400				
($700 mo. X 12)					
Expenses:					
(mortgage Interest, taxes, water, and trash)	$3,200				
Asset Income	**$5,200**		(Previous page calculation)		
			$38,500	$0	$0
			$41,225	$24.74	**$5,325.00**
TOTAL (add higher total to gross income)					**USE**

NOTES:

E. Student Households

OHFA has adopted the National Council of State Housing Agencies (NCSHA) Recommended Best Practices in Compliance Monitoring which addresses the student issues as follows:

- Consider a single person household ineligible if he or she is a full-time student at the time of initial occupancy or will be at any time during the certification period. (unless the individual meets one of the student exceptions described below);
- Consider a household of students eligible if it includes at least one part-time student or meets one of the student exceptions described below;
- Consider a household containing full-time students and at least one child (who is not a full-time student) an eligible household;
- Consider TANF an acceptable Title IV program exception.
- Consider at least one member of the household was previously under the care and placement of a foster care program under Title IV of the Social Security Act.

NOTE: Effective 01/01/06, OHFA will consider children enrolled in grades K-12 as full-time students.

IRC 152(f)(2) defines, in part, a "student" as an individual, who during each of 5 calendar months during the calendar year in which the taxable year of the taxpayer begins, is a full-time student at an educational organization described in IRC 170(b)(1)(A)(ii) or is pursuing a full-time course of institutional on-farm training under the supervision of an accredited agent of an educational organization described in the IRC 170(b)(1)(A)(ii) or of a state or political subdivision of a state. Treas. Reg. 1.151-3(b) further provided that the five calendar months needs not be consecutive. For example, Susie attends college full-time from Jan 10, 2007 to May 5, 2007. According to the IRS, Susie is considered a student who is not eligible for the tax credit program in the year 2007 unless she can meet one of the exceptions below.

A household comprised entirely of full-time students is not eligible unless the household meets one of the following 5 exceptions:

EXCEPTIONS:

1. All adult household members are married and eligible to file a joint tax return;
2. Household consists of single parent and their children, and such parent and child(ren) are not dependents of another individual other than a parent of

such children;

3. at least one member of the household receives assistance under Title IV of the Social Security Act (i.e., AFDC or TANF assistance); or
4. at least one member of the household is enrolled in a job training program receiving assistance under the Job Training Partnership Act (known as the Workforce Investment Act), or similar federal, state, or local law. See Income Exclusion 16h.
5. at least one member of the household was previously under the care and placement of a foster care program under Title IV of the Social Security Act.

The rental application must ask if all household members are full-time students. If "yes" is checked, the tenant will need to certify to the fact that one of the above exceptions applies to their household situation (a copy of this certification can be found in Appendix E). It is required that a lease provision be utilized that requires residents to notify management of any changes in the student status. The student question must be asked at initial certification and recertification and annually for 100% Tax Credit properties eliminating re-certifications.

NOTE: verification must be provided and placed in the tenant file to verify the exception that is being claimed. ***See Appendix E – Certification of Student Eligibility.***

F. Felony Question

The Rental Application must ask if anyone in the household has ever been convicted of a felony. The Chapter 36 Rules state that the Owner shall not house a convicted felon for a certain number of years. In some cases, a felon may be barred from a tax credit site permanently. Please see Chapter 36 Rules, section 330:36-6-1(6) and 330:36-6-1(7). The felony question must be asked at initial certification and recertification and annually for 100% Tax Credit properties eliminating re-certifications.

G. Sign a Release and Consent Form

All adult household members age 18 and over must sign the Tenant Release and Consent Form. A sample release and consent form can be found in Appendix C. OHFA wants all verification forms signed, if possible.

STEP 2: COMPARE INCOME TO LIHTC INCOME LIMITS

After receiving the information from the application in Step 1, is the household potentially eligible?

If the answer is yes, • Compare household income to LIHTC income limits which are published annually, by counties and MSA's, and by household size.
Please verify that your income limits are correct and up-to-date. **THIS IS YOUR RESPONSIBILITY!**

STEP 3: VERIFY ALL ANNUAL GROSS INCOME

A. <u>Basic Methods</u>

- Third-party written (preferred) verifications should take place between the third party and the owner — the prospective resident should not provide any documentation. It is acceptable for third parties to fax verifications to owners. Note: The fax should show evidence of the date and where the fax came from.
- Firsthand Verification is documentation from the applicant/resident. Forms of verification include: Check stubs (4 to 6 weeks) certified copies of tax returns (signed by applicant), bank statements, and copies of legal documents (e.g., court awarded child support payments, etc.). **If the employment verification is not fully completed by the employer, you must attach a clarification form.**

No W-2's unless applicant has had same employer for 2 yrs and increases are projected.

  - *NOTE: Firsthand verification can be used only after you have documented all attempts at third party verification and attach to the file.*
- Oral (telephone verification) may be used only if written verifications are not obtainable. The owner must complete, sign and date a form identifying the third-party oral source.

B. <u>Section 8 Voucher Holders</u>

Effective October 1, 2008 OHFA will not accept the PHA income verification statement for an initial certification, this form will be accepted only at recertification. The sample verification forms can be found in Appendix F. If the resident is a Section 8 Voucher holder, you can provide a statement from the

PHA, certifying the names of the residents and that those particular residents income(s) are below the LIHTC Median Income Limits, and below the required Section 8 income limits. This only relieves you of the obligation of verifying income, all other required documentation must be in the resident file.

The forms that must be in a Section 8 file if using the PHA statement:

1. Application
2. Under $5,000 Asset Cert (if applicable)
3. Tenant Income Certification
4. Lease and Section 42 Language

When renting to a Section 8 household, you must FIRST qualify the household for the tax credit program and THEN request an inspection date.

Effective June 1, 1999--OHFA will no longer accept the HUD Forms 50058 or 50059 as Tenant Income Certifications, you must use a separate Tenant Income Cert (TIC) approved by OHFA. (OHFA accepts the Rural Housing Certification in place of the TIC found in Appendix G)

C. Acceptable Methods of Verification

Verifications must be dated within 120 days prior to the effective date of the Tenant Income Certification.

- Time period for the 120 days begins once the verification is received in your office. Be sure to date stamp the verification.

NOTE: OHFA does not require verification forms to be notarized. A notary does not verify that the information is true and correct. By requiring this practice, an extra monetary burden may be placed upon the applicant/resident.

For acceptable methods of verification see HUD Handbook, Occupancy Requirements of Subsidized Multifamily Housing Programs (4350.3), Appendix 3: Acceptable Forms of Verification;
http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_35767.pdf

STEP 4: OBTAIN TENANT INCOME CERTIFICATION (TIC)

USE ONLY OHFA APPROVED FORMS (unless otherwise authorized by OHFA)

- The TIC in Appendix G is REQUIRED (OHFA will accept the Rural Housing Certification) Effective 01/01/2008, all TIC's including Rural Housing TIC's must be completed within 120 days of the anniversary date of move-in.
- The TIC must be signed by the Head of Household, all household members age 18 or older, and the owner or a member of the management staff.
- The Initial TIC should be effective the date of move-in and signed no more than 5 days prior.
- The HUD LIHTC TIC in Appendix G includes the household composition data that is required by HUD. The TIC is on the OHFA website in pdf format and data can be entered directly and printed out. This TIC may be used for initial certifications and all applicable recertification as long as appropriate back-up is obtained.

A. Annual Recertification

Effective 01/01/2009, OHFA will eliminate the annual recertification requirement for 100% tax credit properties. This provision waives the annual recertification requirement under the low-income housing tax credit regulation. This rule will not apply to mixed income properties with tax credit buildings mixed with market buildings. **The properties in which this provision of elimination will apply will still be required to annually obtain the felony and student status of each household as these rules continue to be applicable. For properties eliminating re-certifications, Appendix G "OHFA Household Information Form" is required.**

The following is a guide for those properties that must continue to recertify:

1. The effective date of the tenant income certification (TIC) is the date of move-in or initial certification. The recertification is due on the anniversary of the effective date. The effective date can be no more than 120 days prior to the anniversary date of the actual move-in or initial certification.
2. Complete the same four steps below that were used in determining Tenant Eligibility.
   - Complete Rental Application.
   - Compare Income to LIHTC Income Limits (Don't forget the 140% or Available Unit Rule Chapter 3, Page 16).

- Verify all Annual Gross Income.
- Complete Tenant Income Certification.

3. Start early enough to allow time to verify all income.

4. If an owner sends timely notices informing the household that the annual recertification is due, but the household does not provide the certification and supporting documentation prior to vacating the unit, the vacant unit will not be considered out of compliance. Please note these units and attach copies of notices, when submitting unit data reports to OHFA.

5. If a recertification is discovered late, the owner may retroactively recertify the household as to the occupancy and income earned as of the retro date forward 12 months. The effective date of the TIC will be the retroactive verification date. (Please note if a pattern of late recertification's performed retroactively is detected, the IRS will be notified.) Remember that the signature dates on any form must always be dated the present day. **DO NOT EVER BACKDATE.** You may date a form the current day and write the "true and correct as of" with the date next to it but be sure that the income is verified back to that date. For the retroactive recertification, the signature date will always be after the TIC effective date.

A sample 120 day, 90 day, 60 day, and 30 day notice can be found in Appendix K.

B. Recertification Examples:

Example 1:	
Resident moves-in on 04/20/05	next recert due 04/20/06
TIC is discovered late on 08/20/06	
Resident was retro-actively recertified on 08/21/06 back to 04/20/06	Next recert is due no more than 120 days before 04/20/07

Rural Housing Services site:

Example 2:	
Resident moves-in on 04/20/05 and signs TIC on 04/19/05. RD TIC is effective 05/01/05	Next recert due 04/20/06
Resident recertifies on 03/15/06 and signs RD TIC. RD TIC is effective 05/01/06	Next recert is due 04/20/07

REMINDER: Be sure to obtain the "felony" and "student" question at recertification in addition to HUD demographic data listed in Chapter 3.

2016 INCOME / RENT LIMITS FOR OKLAHOMA

EFFECTIVE 3/28/2016

STATE LIST OF COUNTIES IDENTIFIED BY METROPOLITAN AND NON METROPOLITAN STATUS - OKLAHOMA

METROPOLITAN AREA	COUNTIES OF FAIR MARKET RENT AREA WITHIN STATE
FORT SMITH, AR-OK MSA	
MSA / CBSA: FORT SMITH, AR-OK HMFA	SEQUOYAH
SA: LE FLORE COUNTY, OK HMFA	LE FLORE
LAWTON, OK MSA	
MSA / CBSA: LAWTON, OK MSA	COTTON COMANCHE
OKLAHOMA CITY, OK MSA	
SA: GRADY COUNTY, OK HMFA	GRADY
SA: LINCOLN COUNTY, OK HMFA	LINCOLN
MSA / CBSA: OKLAHOMA CITY, OK HMFA	CANADIAN, CLEVELAND, LOGAN, MCCLAIN, OKLAHOMA
TULSA, OK MSA	
SA: OKMULGEE COUNTY, OK HMFA	OKMULGEE
SA: PAWNEE COUNTY, OK HMFA	PAWNEE
MSA / CBSA: TULSA, OK HMFA	CREEK, OSAGE, ROGERS, TULSA, WAGONER

NONMETROPOLITAN COUNTIES ADAIR, ALFALFA, ATOKA, BEAVER, BECKHAM, BLAINE, BRYAN, CADDO, CARTER, CHEROKEE, CHOCTAW, CIMARRON, COAL, CRAIG, CUSTER, DELAWARE, DEWEY, ELLIS, GARFIELD, GARVIN, GRANT, GREER, HARMON, HARPER, HASKELL, HUGHES, JACKSON, JEFFERSON, JOHNSTON, KAY, KINGFISHER, KIOWA, LATIMER, LOVE, MCCURTAIN, MCINTOSH, MAJOR, MARSHALL, MAYES, MURRAY, MUSKOGEE, NOBLE, NOWATA, OKFUSKEE, OTTAWA, PAYNE, PITTSBURG, PONTOTOC, POTTAWATOMIE, PUSHMATAHA, ROGER MILLS, SEMINOLE, STEPHENS, TEXAS, TILLMAN, WASHINGTON, WASHITA, WOODS, AND WOODWARD

ABBREVIATIONS

(CBSA) Core-Based Metropolitan Statistical Area, (HMFA) HUD Metropolitan Fair Market Rent Areas, (MSA) Metropolitan Statistical Area,

(SA) Sub-Area Data

HERA (Housing and Economic Recovery Act of 2008) Special - Limits to be used for projects that placed at least one building in service in 2007 or 2008 in a HUD impacted area. HUD impacted areas are areas with Section 8 Income Limits held harmless by HUD in FY2007 or FY2008.

2016 NATIONAL NON-METROPOLITAN RENT / INCOME LIMITS

Effective 7-30-08, all Rural projects are now able to use the greater of the area median income or the National Non-metropolitan median gross income. This rule does not apply to tax -exempt financed properties.
To determine if an area is qualified as rural, using the USDA's determination of rural, go to the website at:
http://eligibility.sc.egov.usda.gov/eligibility/welcomeAction.do?pageAct
The limits calculate as follows:

2016 National Non-metro	Median Income	Number of persons in the household 1	2	3	4	5	6	7	8		Maximum Rents / Bed Size Eff	1	2	3	4
effective 3-28-2016	53,300	18,650	21,300	24,000	26,650	28,800	30,900	33,050	35,200	50%	466	499	600	693	772
		26,110	29,820	33,600	37,310	40,320	43,260	46,270	49,280	140% of 50%					
		22,380	25,560	28,800	31,980	34,560	37,080	39,660	42,240	60%	559	599	720	831	927
		31,332	35,784	40,320	44,772	48,384	51,912	55,524	59,136	140% of 60%					

STATE OF OKLAHOMA

Maximum Income and Maximum Rent to Qualify Units as Low-Income
for the Low Income Housing Tax Credit Program - 2016 Calculations

Effective 3-28-2016

All rents include utilities

MSA/COUNTY	MEDIAN INCOME	INCOME LIMITS FOR A GIVEN NUMBER OF PERSONS IN THE FAMILY 1	2	3	4	5	6	7	8		MAXIMUM RENTS FOR GIVEN # BEDROOMS EFF	1	2	3	4
FT. SMITH, AR-OK	48,700	17,050	19,500	21,950	24,350	26,300	28,250	30,200	32,150	50%	426	456	548	633	706
MSA		23,870	27,300	30,730	34,090	36,820	39,550	42,280	45,010	140% of 50%					
SEQUOYAH County															
		20,460	23,400	26,340	29,220	31,560	33,900	36,240	38,580	60%	511	548	658	759	847
		28,644	32,760	36,876	40,908	44,184	47,460	50,736	54,012	140% of 60%					
FT. SMITH, AR-OK	45,600	16,000	18,250	20,550	22,800	24,650	26,450	28,300	30,100	50%	400	428	513	593	661
MSA		22,400	25,550	28,770	31,920	34,510	37,030	39,620	42,140	140% of 50%					
LE FLORE County															
		19,200	21,900	24,660	27,360	29,580	31,740	33,960	36,120	60%	480	513	616	711	793
		26,880	30,660	34,524	38,304	41,412	44,436	47,544	50,568	140% of 60%					
LE FLORE COUNTY															
HERA Special		17,150	19,600	22,050	24,500	26,500	28,450	30,400	32,350	50%	428	459	551	637	711
		24,010	27,440	30,870	34,300	37,100	39,830	42,560	45,290	140% of 50%					
		20,580	23,520	26,460	29,400	31,800	34,140	36,480	38,820	60%	514	551	661	765	853
		28,812	32,928	37,044	41,160	44,520	47,796	51,072	54,348	140% of 60%					
LAWTON, OK	58,200	20,400	23,300	26,200	29,100	31,450	33,800	36,100	38,450	50%	510	546	655	756	845
MSA		28,560	32,620	36,680	40,740	44,030	47,320	50,540	53,830	140% of 50%					
COTTON COUNTY															
		24,480	27,960	31,440	34,920	37,740	40,560	43,320	46,140	60%	612	655	786	908	1,014
		34,272	39,144	44,016	48,888	52,836	56,784	60,648	64,596	140% of 60%					
COTTON COUNTY															
HERA Special		20,550	23,450	26,400	29,300	31,650	34,000	36,350	38,700	50%	513	550	660	761	850
		28,770	32,830	36,960	41,020	44,310	47,600	50,890	54,180	140% of 50%					
		24,660	28,140	31,680	35,160	37,980	40,800	43,620	46,440	60%	616	660	792	914	1,020
		34,524	39,396	44,352	49,224	53,172	57,120	61,068	65,016	140% of 60%					

STATE OF OKLAHOMA

Maximum Income and Maximum Rent to Qualify Units as Low-Income
for the Low Income Housing Tax Credit Program - 2016 Calculations

Effective 3-28-2016

All rents include utilities

MSA/COUNTY	MEDIAN INCOME	INCOME LIMITS FOR A GIVEN NUMBER OF PERSONS IN THE FAMILY 1	2	3	4	5	6	7	8		MAXIMUM RENTS FOR GIVEN # BEDROOMS EFF	1	2	3	4
LAWTON, OK MSA	56,600	19,850	22,650	25,500	28,300	30,600	32,850	35,100	37,400	50%	496	531	637	736	821
COMANCHE		27,790	31,710	35,700	39,620	42,840	45,990	49,140	52,360	140% of 50%					
		23,820	27,180	30,600	33,960	36,720	39,420	42,120	44,880	60%	595	637	765	883	985
		33,348	38,052	42,840	47,544	51,408	55,188	58,968	62,832	140% of 60%					
OKC, OK MSA	58,600	20,550	23,450	26,400	29,300	31,650	34,000	36,350	38,700	50%	513	550	660	761	850
GRADY County		28,770	32,830	36,960	41,020	44,310	47,600	50,890	54,180	140% of 50%					
		24,660	28,140	31,680	35,160	37,980	40,800	43,620	46,440	60%	616	660	792	914	1,020
		34,524	39,396	44,352	49,224	53,172	57,120	61,068	65,016	140% of 60%					
GRADY COUNTY															
HERA Special		21,300	24,350	27,400	30,400	32,850	35,300	37,700	40,150	50%	532	570	685	790	882
		29,820	34,090	38,360	42,560	45,990	49,420	52,780	56,210	140% of 50%					
		25,560	29,220	32,880	36,480	39,420	42,360	45,240	48,180	60%	639	684	822	948	1,059
		35,784	40,908	46,032	51,072	55,188	59,304	63,336	67,452	140% of 60%					
OKC, OK MSA	54,900	19,250	22,000	24,750	27,450	29,650	31,850	34,050	36,250	50%	481	515	618	713	796
LINCOLN County		26,950	30,800	34,650	38,430	41,510	44,590	47,670	50,750	140% of 50%					
		23,100	26,400	29,700	32,940	35,580	38,220	40,860	43,500	60%	577	618	742	856	955
		32,340	36,960	41,580	46,116	49,812	53,508	57,204	60,900	140% of 60%					
LINCOLN COUNTY															
HERA Special		19,650	22,450	25,250	28,050	30,300	32,550	34,800	37,050	50%	491	526	631	729	813
		27,510	31,430	35,350	39,270	42,420	45,570	48,720	51,870	140% of 50%					
		23,580	26,940	30,300	33,660	36,360	39,060	41,760	44,460	60%	589	631	757	875	976
		33,012	37,716	42,420	47,124	50,904	54,684	58,464	62,244	140% of 60%					

STATE OF OKLAHOMA

Maximum Income and Maximum Rent to Qualify Units as Low-Income
for the Low Income Housing Tax Credit Program - 2016 Calculations

Effective 3-28-2016

All rents include utilities

MSA/COUNTY	MEDIAN INCOME	INCOME LIMITS FOR A GIVEN NUMBER OF PERSONS IN THE FAMILY 1	2	3	4	5	6	7	8		MAXIMUM RENTS FOR GIVEN # BEDROOMS EFF	1	2	3	4
OKC, OK MSA	64,400	22,550	25,800	29,000	32,200	34,800	37,400	39,950	42,550	50%	563	604	725	837	935
(see page 1 for MSA)		31,570	36,120	40,600	45,080	48,720	52,360	55,930	59,570	140% of 50%					
		27,060	30,960	34,800	38,640	41,760	44,880	47,940	51,060	60%	676	725	870	1,005	1,122
		37,884	43,344	48,720	54,096	58,464	62,832	67,116	71,484	140% of 60%					
OKC															
HERA Special		22,600	25,800	29,050	32,250	34,850	37,450	40,000	42,600	50%	565	605	726	838	936
		31,640	36,120	40,670	45,150	48,790	52,430	56,000	59,640	140% of 50%					
		27,120	30,960	34,860	38,700	41,820	44,940	48,000	51,120	60%	678	726	871	1,006	1,123
		37,968	43,344	48,804	54,180	58,548	62,916	67,200	71,568	140% of 60%					
TULSA, OK MSA	50,000	18,400	21,000	23,650	26,250	28,350	30,450	32,550	34,650	50%	460	492	591	682	761
OKMULGEE County		25,760	29,400	33,110	36,750	39,690	42,630	45,570	48,510	140% of 50%					
		22,080	25,200	28,380	31,500	34,020	36,540	39,060	41,580	40/60	552	591	709	819	913
		30,912	35,280	39,732	44,100	47,628	51,156	54,684	58,212	140% of 60%					
OKMULGEE COUNTY															
HERA Special		19,200	21,950	24,700	27,400	29,600	31,800	34,000	36,200	50%	480	514	617	712	795
		26,880	30,730	34,580	38,360	41,440	44,520	47,600	50,680	140% of 50%					
		23,040	26,340	29,640	32,880	35,520	38,160	40,800	43,440	60%	576	617	741	855	954
		32,256	36,876	41,496	46,032	49,728	53,424	57,120	60,816	140% of 60%					
TULSA, OK MSA	57,600	19,900	22,750	25,600	28,400	30,700	32,950	35,250	37,500	50%	497	533	640	738	823
PAWNEE		27,860	31,850	35,840	39,760	42,980	46,130	49,350	52,500	140% of 50%					
		23,880	27,300	30,720	34,080	36,840	39,540	42,300	45,000	40/60	597	639	768	886	988
		33,432	38,220	43,008	47,712	51,576	55,356	59,220	63,000	140% of 60%					

STATE OF OKLAHOMA

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All rents include utilities

MSA/COUNTY	MEDIAN INCOME	INCOME LIMITS FOR A GIVEN NUMBER OF PERSONS IN THE FAMILY 1	2	3	4	5	6	7	8		MAXIMUM RENTS FOR GIVEN # BEDROOMS EFF	1	2	3	4
TULSA, OK MSA	61,900	21,700	24,800	27,900	30,950	33,450	35,950	38,400	40,900	50%	542	581	697	805	898
(see page 1 for MSA)		30,380	34,720	39,060	43,330	46,830	50,330	53,760	57,260	140% of 50%					
		26,040	29,760	33,480	37,140	40,140	43,140	46,080	49,080	40/60	651	697	837	966	1,078
		36,456	41,664	46,872	51,996	56,196	60,396	64,512	68,712	140% of 60%					

NONMETROPOLITAN COUNTIES:

ADAIR COUNTY	40,000	18,400	21,000	23,650	26,250	28,350	30,450	32,550	34,650	50%	460	492	591	682	761
		25,760	29,400	33,110	36,750	39,690	42,630	45,570	48,510	140% of 50%					
		22,080	25,200	28,380	31,500	34,020	36,540	39,060	41,580	60%	552	591	709	819	913
		30,912	35,280	39,732	44,100	47,628	51,156	54,684	58,212	140% of 60%					
ALFALFA COUNTY	59,100	20,700	23,650	26,600	29,550	31,950	34,300	36,650	39,050	50%	517	554	665	768	857
		28,980	33,110	37,240	41,370	44,730	48,020	51,310	54,670	140% of 50%					
		24,840	28,380	31,920	35,460	38,340	41,160	43,980	46,860	60%	621	665	798	922	1,029
		34,776	39,732	44,688	49,644	53,676	57,624	61,572	65,604	140% of 60%					
ALFALFA COUNTY															
HERA Special		21,250	24,250	27,300	30,300	32,750	35,150	37,600	40,000	50%	531	568	682	788	878
		29,750	33,950	38,220	42,420	45,850	49,210	52,640	56,000	140% of 50%					
		25,500	29,100	32,760	36,360	39,300	42,180	45,120	48,000	60%	637	682	819	945	1,054
		35,700	40,740	45,864	50,904	55,020	59,052	63,168	67,200	140% of 60%					

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MSA/COUNTY	MEDIAN INCOME	INCOME LIMITS FOR A GIVEN NUMBER OF PERSONS IN THE FAMILY 1	2	3	4	5	6	7	8		MAXIMUM RENTS FOR GIVEN # BEDROOMS EFF	1	2	3	4
ATOKA COUNTY	42,800	18,400	21,000	23,650	26,250	28,350	30,450	32,550	34,650	50%	460	492	591	682	761
		25,760	29,400	33,110	36,750	39,690	42,630	45,570	48,510	140% of 50%					
		22,080	25,200	28,380	31,500	34,020	36,540	39,060	41,580	60%	552	591	709	819	913
		30,912	35,280	39,732	44,100	47,628	51,156	54,684	58,212	140% of 60%					
ATOKA COUNTY															
HERA Special		19,400	22,200	24,950	27,700	29,950	32,150	34,350	36,600	50%	485	520	623	720	803
		27,160	31,080	34,930	38,780	41,930	45,010	48,090	51,240	140% of 50%					
		23,280	26,640	29,940	33,240	35,940	38,580	41,220	43,920	60%	582	624	748	864	964
		32,592	37,296	41,916	46,536	50,316	54,012	57,708	61,488	140% of 60%					
BEAVER COUNTY	62,100	21,750	24,850	27,950	31,050	33,550	36,050	38,550	41,000	50%	543	582	698	807	901
		30,450	34,790	39,130	43,470	46,970	50,470	53,970	57,400	140% of 50%					
		26,100	29,820	33,540	37,260	40,260	43,260	46,260	49,200	60%	652	699	838	969	1,081
		36,540	41,748	46,956	52,164	56,364	60,564	64,764	68,880	140% of 60%					
BECKHAM COUNTY	62,500	21,900	25,000	28,150	31,250	33,750	36,250	38,750	41,250	50%	547	586	703	812	906
		30,660	35,000	39,410	43,750	47,250	50,750	54,250	57,750	140% of 50%					
		26,280	30,000	33,780	37,500	40,500	43,500	46,500	49,500	60%	657	703	844	975	1,087
		36,792	42,000	47,292	52,500	56,700	60,900	65,100	69,300	140% of 60%					
BECKHAM COUNTY															
HERA Special		22,850	26,100	29,350	32,600	35,250	37,850	40,450	43,050	50%	571	611	733	848	946
		31,990	36,540	41,090	45,640	49,350	52,990	56,630	60,270	140% of 50%					
		27,420	31,320	35,220	39,120	42,300	45,420	48,540	51,660	60%	685	734	880	1,017	1,135
		38,388	43,848	49,308	54,768	59,220	63,588	67,956	72,324	140% of 60%					

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MSA/COUNTY	MEDIAN INCOME	INCOME LIMITS FOR A GIVEN NUMBER OF PERSONS IN THE FAMILY 1	2	3	4	5	6	7	8		MAXIMUM RENTS FOR GIVEN # BEDROOMS EFF	1	2	3	4
BLAINE COUNTY	52,900	18,550	21,200	23,850	26,450	28,600	30,700	32,800	34,950	50%	463	496	596	688	767
		25,970	29,680	33,390	37,030	40,040	42,980	45,920	48,930	140% of 50%					
		22,260	25,440	28,620	31,740	34,320	36,840	39,360	41,940	60%	556	596	715	825	921
		31,164	35,616	40,068	44,436	48,048	51,576	55,104	58,716	140% of 60%					
BLAINE COUNTY															
HERA Special		21,600	24,700	27,800	30,850	33,350	35,800	38,300	40,750	50%	540	578	695	802	895
		30,240	34,580	38,920	43,190	46,690	50,120	53,620	57,050	140% of 50%					
		25,920	29,640	33,360	37,020	40,020	42,960	45,960	48,900	60%	648	694	834	963	1,074
		36,288	41,496	46,704	51,828	56,028	60,144	64,344	68,460	140% of 60%					
BRYAN COUNTY	48,700	18,400	21,000	23,650	26,250	28,350	30,450	32,550	34,650	50%	460	492	591	682	761
		25,760	29,400	33,110	36,750	39,690	42,630	45,570	48,510	140% of 50%					
		22,080	25,200	28,380	31,500	34,020	36,540	39,060	41,580	60%	552	591	709	819	913
		30,912	35,280	39,732	44,100	47,628	51,156	54,684	58,212	140% of 60%					
CADDO COUNTY	49,500	18,400	21,000	23,650	26,250	28,350	30,450	32,550	34,650	50%	460	492	591	682	761
		25,760	29,400	33,110	36,750	39,690	42,630	45,570	48,510	140% of 50%					
		22,080	25,200	28,380	31,500	34,020	36,540	39,060	41,580	40/60	552	591	709	819	913
		30,912	35,280	39,732	44,100	47,628	51,156	54,684	58,212	140% of 60%					
CADDO COUNTY															
HERA Special		19,400	22,150	24,900	27,650	29,900	32,100	34,300	36,500	50%	485	519	622	719	802
		27,160	31,010	34,860	38,710	41,860	44,940	48,020	51,100	140% of 50%					
		23,280	26,580	29,880	33,180	35,880	38,520	41,160	43,800	60%	582	623	747	863	963
		32,592	37,212	41,832	46,452	50,232	53,928	57,624	61,320	140% of 60%					

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MSA/COUNTY	MEDIAN INCOME	INCOME LIMITS FOR A GIVEN NUMBER OF PERSONS IN THE FAMILY 1	2	3	4	5	6	7	8		MAXIMUM RENTS FOR GIVEN # BEDROOMS EFF	1	2	3	4
CARTER COUNTY	53,800	18,850	21,550	24,250	26,900	29,100	31,250	33,400	35,550	50%	471	505	606	700	781
		26,390	30,170	33,950	37,660	40,740	43,750	46,760	49,770	140% of 50%					
		22,620	25,860	29,100	32,280	34,920	37,500	40,080	42,660	60%	565	606	727	840	937
		31,668	36,204	40,740	45,192	48,888	52,500	56,112	59,724	140% of 60%					
CARTER COUNTY															
HERA Special		19,500	22,250	25,050	27,800	30,050	32,250	34,500	36,700	50%	487	521	626	723	806
		27,300	31,150	35,070	38,920	42,070	45,150	48,300	51,380	140% of 50%					
		23,400	26,700	30,060	33,360	36,060	38,700	41,400	44,040	60%	585	626	751	867	967
		32,760	37,380	42,084	46,704	50,484	54,180	57,960	61,656	140% of 60%					
CHEROKEE COUNTY	50,700	18,400	21,000	23,650	26,250	28,350	30,450	32,550	34,650	50%	460	492	591	682	761
		25,760	29,400	33,110	36,750	39,690	42,630	45,570	48,510	140% of 50%					
		22,080	25,200	28,380	31,500	34,020	36,540	39,060	41,580	60%	552	591	709	819	913
		30,912	35,280	39,732	44,100	47,628	51,156	54,684	58,212	140% of 60%					
CHEROKEE COUNTY															
HERA Special		19,400	22,200	24,950	27,700	29,950	32,150	34,350	36,600	50%	485	520	623	720	803
		27,160	31,080	34,930	38,780	41,930	45,010	48,090	51,240	140% of 50%					
		23,280	26,640	29,940	33,240	35,940	38,580	41,220	43,920	60%	582	624	748	864	964
		32,592	37,296	41,916	46,536	50,316	54,012	57,708	61,488	140% of 60%					
CHOCTAW COUNTY	43,100	18,400	21,000	23,650	26,250	28,350	30,450	32,550	34,650	50%	460	492	591	682	761
		25,760	29,400	33,110	36,750	39,690	42,630	45,570	48,510	140% of 50%					
		22,080	25,200	28,380	31,500	34,020	36,540	39,060	41,580	60%	552	591	709	819	913
		30,912	35,280	39,732	44,100	47,628	51,156	54,684	58,212	140% of 60%					

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MSA/COUNTY	MEDIAN INCOME	INCOME LIMITS FOR A GIVEN NUMBER OF PERSONS IN THE FAMILY 1	2	3	4	5	6	7	8		MAXIMUM RENTS FOR GIVEN # BEDROOMS EFF	1	2	3	4
CHOCTAW COUNTY															
HERA Special		19,100	21,800	24,550	27,250	29,450	31,650	33,800	36,000	50%	477	511	613	708	791
		26,740	30,520	34,370	38,150	41,230	44,310	47,320	50,400	140% of 50%					
		22,920	26,160	29,460	32,700	35,340	37,980	40,560	43,200	60%	573	613	736	850	949
		32,088	36,624	41,244	45,780	49,476	53,172	56,784	60,480	140% of 60%					
CIMARRON COUNTY	50,900	18,400	21,000	23,650	26,250	28,350	30,450	32,550	34,650	50%	460	492	591	682	761
		25,760	29,400	33,110	36,750	39,690	42,630	45,570	48,510	140% of 50%					
		22,080	25,200	28,380	31,500	34,020	36,540	39,060	41,580	60%	552	591	709	819	913
		30,912	35,280	39,732	44,100	47,628	51,156	54,684	58,212	140% of 60%					
COAL COUNTY	46,100	18,400	21,000	23,650	26,250	28,350	30,450	32,550	34,650	50%	460	492	591	682	761
		25,760	29,400	33,110	36,750	39,690	42,630	45,570	48,510	140% of 50%					
		22,080	25,200	28,380	31,500	34,020	36,540	39,060	41,580	60%	552	591	709	819	913
		30,912	35,280	39,732	44,100	47,628	51,156	54,684	58,212	140% of 60%					
COAL COUNTY															
HERA Special		20,450	23,350	26,250	29,150	31,500	33,850	36,150	38,500	50%	511	547	656	758	846
		28,630	32,690	36,750	40,810	44,100	47,390	50,610	53,900	140% of 50%					
		24,540	28,020	31,500	34,980	37,800	40,620	43,380	46,200	60%	613	657	787	909	1,015
		34,356	39,228	44,100	48,972	52,920	56,868	60,732	64,680	140% of 60%					
CRAIG COUNTY	51,600	18,400	21,000	23,650	26,250	28,350	30,450	32,550	34,650	50%	460	492	591	682	761
		25,760	29,400	33,110	36,750	39,690	42,630	45,570	48,510	140% of 50%					
		22,080	25,200	28,380	31,500	34,020	36,540	39,060	41,580	60%	552	591	709	819	913
		30,912	35,280	39,732	44,100	47,628	51,156	54,684	58,212	140% of 60%					

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CRAIG COUNTY															
HERA Special		18,550	21,200	23,850	26,500	28,650	30,750	32,900	35,000	50%	463	496	596	689	768
		25,970	29,680	33,390	37,100	40,110	43,050	46,060	49,000	140% of 50%					
		22,260	25,440	28,620	31,800	34,380	36,900	39,480	42,000	60%	556	596	715	827	922
		31,164	35,616	40,068	44,520	48,132	51,660	55,272	58,800	140% of 60%					
CUSTER COUNTY	58,400	20,450	23,400	26,300	29,200	31,550	33,900	36,250	38,550	50%	511	548	657	759	847
		28,630	32,760	36,820	40,880	44,170	47,460	50,750	53,970	140% of 50%					
		24,540	28,080	31,560	35,040	37,860	40,680	43,500	46,260	60%	613	657	789	911	1,017
		34,356	39,312	44,184	49,056	53,004	56,952	60,900	64,764	140% of 60%					
CUSTER COUNTY															
HERA Special		20,550	23,500	26,450	29,350	31,700	34,050	36,400	38,750	50%	513	550	661	763	851
		28,770	32,900	37,030	41,090	44,380	47,670	50,960	54,250	140% of 50%					
		24,660	28,200	31,740	35,220	38,040	40,860	43,680	46,500	60%	616	660	793	915	1,021
		34,524	39,480	44,436	49,308	53,256	57,204	61,152	65,100	140% of 60%					
DELAWARE COUNTY	46,900	18,400	2,100	23,650	26,250	28,350	30,450	32,550	34,650	50%	460	256	591	682	761
		25,760	2,940	33,110	36,750	39,690	42,630	45,570	48,510	140% of 50%					
		22,080	2,520	28,380	31,500	34,020	36,540	39,060	41,580	40/60	552	307	709	819	913
		30,912	3,528	39,732	44,100	47,628	51,156	54,684	58,212	140% of 60%					
DEWEY COUNTY	59,400	20,800	23,800	26,750	29,700	32,100	34,500	36,850	39,250	50%	520	557	668	772	862
		29,120	33,320	37,450	41,580	44,940	48,300	51,590	54,950	140% of 50%					
		24,960	28,560	32,100	35,640	38,520	41,400	44,220	47,100	60%	624	669	802	927	1,035
		34,944	39,984	44,940	49,896	53,928	57,960	61,908	65,940	140% of 60%					

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ELLIS COUNTY	61,100	21,400	24,450	27,500	30,550	33,000	35,450	37,900	40,350	50%	535	573	687	794	886
		29,960	34,230	38,500	42,770	46,200	49,630	53,060	56,490	140% of 50%					
		25,680	29,340	33,000	36,660	39,600	42,540	45,480	48,420	60%	642	687	825	953	1,063
		35,952	41,076	46,200	51,324	55,440	59,556	63,672	67,788	140% of 60%					
ELLIS COUNTY															
HERA Special		22,650	25,850	29,100	32,300	34,900	37,500	40,100	42,650	50%	566	606	727	840	937
		31,710	36,190	40,740	45,220	48,860	52,500	56,140	59,710	140% of 50%					
		27,180	31,020	34,920	38,760	41,880	45,000	48,120	51,180	60%	679	727	873	1,008	1,125
		38,052	43,428	48,888	54,264	58,632	63,000	67,368	71,652	140% of 60%					
GARFIELD COUNTY	55,000	19,250	22,000	24,750	27,500	29,700	31,900	34,100	36,300	50%	481	515	618	715	797
		26,950	30,800	34,650	38,500	41,580	44,660	47,740	50,820	140% of 50%					
		23,100	26,400	29,700	33,000	35,640	38,280	40,920	43,560	60%	577	618	742	858	957
		32,340	36,960	41,580	46,200	49,896	53,592	57,288	60,984	140% of 60%					
GARFIELD COUNTY															
HERA Special		19,400	22,200	24,950	27,700	29,950	32,150	34,350	36,600	50%	485	520	623	720	803
		27,160	31,080	34,930	38,780	41,930	45,010	48,090	51,240	140% of 50%					
		23,280	26,640	29,940	33,240	35,940	38,580	41,220	43,920	60%	582	624	748	864	964
		32,592	37,296	41,916	46,536	50,316	54,012	57,708	61,488	140% of 60%					
GARVIN COUNTY	48,600	18,400	21,000	23,650	26,250	28,350	30,450	32,550	34,650	50%	460	492	591	682	761
		25,760	29,400	33,110	36,750	39,690	42,630	45,570	48,510	140% of 50%					
		22,080	25,200	28,380	31,500	34,020	36,540	39,060	41,580	60%	552	591	709	819	913
		30,912	35,280	39,732	44,100	47,628	51,156	54,684	58,212	140% of 60%					

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GRANT COUNTY	60,000	21,000	24,000	27,000	30,000	32,450	34,800	37,200	39,600	50%	525	562	675	780	870
		29,400	33,600	37,800	42,000	45,430	48,720	52,080	55,440	140% of 50%					
		25,200	28,800	32,400	36,000	38,940	41,760	44,640	47,520	60%	630	675	810	936	1,044
		35,280	40,320	45,360	50,400	54,516	58,464	62,496	66,528	140% of 60%					
GREER COUNTY	50,000	18,400	21,000	23,650	26,250	28,350	30,450	32,550	34,650	50%	460	492	591	682	761
		25,760	29,400	33,110	36,750	39,690	42,630	45,570	48,510	140% of 50%					
		22,080	25,200	28,380	31,500	34,020	36,540	39,060	41,580	60%	552	591	709	819	913
		30,912	35,280	39,732	44,100	47,628	51,156	54,684	58,212	140% of 60%					
GREER COUNTY															
HERA Special		21,000	24,000	27,000	30,000	32,400	34,800	37,200	39,600	50%	525	562	675	780	870
		29,400	33,600	37,800	42,000	45,360	48,720	52,080	55,440	140% of 50%					
		25,200	28,800	32,400	36,000	38,880	41,760	44,640	47,520	60%	630	675	810	936	1,044
		35,280	40,320	45,360	50,400	54,432	58,464	62,496	66,528	140% of 60%					
HARMON COUNTY	37,600	18,400	21,000	23,650	26,250	28,350	30,450	32,550	34,650	50%	460	492	591	682	761
		25,760	29,400	33,110	36,750	39,690	42,630	45,570	48,510	140% of 50%					
		22,080	25,200	28,380	31,500	34,020	36,540	39,060	41,580	60%	552	591	709	819	913
		30,912	35,280	39,732	44,100	47,628	51,156	54,684	58,212	140% of 60%					
HARPER COUNTY	52,400	18,600	21,250	23,900	26,550	28,700	30,800	32,950	35,050	50%	465	498	597	690	770
		26,040	29,750	33,460	37,170	40,180	43,120	46,130	49,070	140% of 50%					
		22,320	25,500	28,680	31,860	34,440	36,960	39,540	42,060	60%	558	597	717	828	924
		31,248	35,700	40,152	44,604	48,216	51,744	55,356	58,884	140% of 60%					

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All rents include utilities

MSA/COUNTY	MEDIAN INCOME	INCOME LIMITS FOR A GIVEN NUMBER OF PERSONS IN THE FAMILY 1	2	3	4	5	6	7	8		MAXIMUM RENTS FOR GIVEN # BEDROOMS EFF	1	2	3	4
HARPER COUNTY															
HERA Special		20,600	23,550	26,500	29,400	31,800	34,150	36,500	38,850	50%	515	551	662	765	853
		28,840	32,970	37,100	41,160	44,520	47,810	51,100	54,390	140% of 50%					
		24,720	28,260	31,800	35,280	38,160	40,980	43,800	46,620	60%	618	662	795	918	1,024
		34,608	39,564	44,520	49,392	53,424	57,372	61,320	65,268	140% of 60%					
HASKELL COUNTY	47,700	18,400	21,000	23,650	26,250	28,350	30,450	32,550	34,650	50%	460	492	591	682	761
		25,760	29,400	33,110	36,750	39,690	42,630	45,570	48,510	140% of 50%					
		22,080	25,200	28,380	31,500	34,020	36,540	39,060	41,580	60%	552	591	709	819	913
		30,912	35,280	39,732	44,100	47,628	51,156	54,684	58,212	140% of 60%					
HASKELL COUNTY															
HERA Special		21,550	24,600	27,700	30,750	33,250	35,700	38,150	40,600	50%	538	576	692	800	892
		30,170	34,440	38,780	43,050	46,550	49,980	53,410	56,840	140% of 50%					
		25,860	29,520	33,240	36,900	39,900	42,840	45,780	48,720	60%	646	692	831	960	1,071
		36,204	41,328	46,536	51,660	55,860	59,976	64,092	68,208	140% of 60%					
HUGHES COUNTY	46,200	18,400	21,000	23,650	26,250	28,350	30,450	32,550	34,650	50%	460	492	591	682	761
		25,760	29,400	33,110	36,750	39,690	42,630	45,570	48,510	140% of 50%					
		22,080	25,200	28,380	31,500	34,020	36,540	39,060	41,580	60%	552	591	709	819	913
		30,912	35,280	39,732	44,100	47,628	51,156	54,684	58,212	140% of 60%					
HUGHES COUNTY															
HERA Special		19,800	22,600	25,450	28,250	30,550	32,800	35,050	37,300	50%	495	530	636	735	820
		27,720	31,640	35,630	39,550	42,770	45,920	49,070	52,220	140% of 50%					
		23,760	27,120	30,540	33,900	36,660	39,360	42,060	44,760	60%	594	636	763	882	984
		33,264	37,968	42,756	47,460	51,324	55,104	58,884	62,664	140% of 60%					

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MSA/COUNTY	MEDIAN INCOME	INCOME LIMITS FOR A GIVEN NUMBER OF PERSONS IN THE FAMILY 1	2	3	4	5	6	7	8		MAXIMUM RENTS FOR GIVEN # BEDROOMS EFF	1	2	3	4
JACKSON COUNTY	53,000	18,550	21,200	23,850	26,500	28,650	30,750	32,900	35,000	50%	463	496	596	689	768
		25,970	29,680	33,390	37,100	40,110	43,050	46,060	49,000	140% of 50%					
		22,260	25,440	28,620	31,800	34,380	36,900	39,480	42,000	60%	556	596	715	827	922
		31,164	35,616	40,068	44,520	48,132	51,660	55,272	58,800	140% of 60%					
JACKSON COUNTY															
HERA Special		19,300	22,050	24,800	27,550	29,800	32,000	34,200	36,400	50%	482	516	620	716	800
		27,020	30,870	34,720	38,570	41,720	44,800	47,880	50,960	140% of 50%					
		23,160	26,460	29,760	33,060	35,760	38,400	41,040	43,680	60%	579	620	744	860	960
		32,424	37,044	41,664	46,284	50,064	53,760	57,456	61,152	140% of 60%					
JEFFERSON COUNTY	41,900	18,400	21,000	23,650	26,250	28,350	30,450	32,550	34,650	50%	460	492	591	682	761
		25,760	29,400	33,110	36,750	39,690	42,630	45,570	48,510	140% of 50%					
		22,080	25,200	28,380	31,500	34,020	36,540	39,060	41,580	60%	552	591	709	819	913
		30,912	35,280	39,732	44,100	47,628	51,156	54,684	58,212	140% of 60%					
JEFFERSON COUNTY															
HERA Special		19,000	21,700	24,400	27,100	29,300	31,450	33,650	35,800	50%	475	508	610	705	786
		26,600	30,380	34,160	37,940	41,020	44,030	47,110	50,120	140% of 50%					
		22,800	26,040	29,280	32,520	35,160	37,740	40,380	42,960	60%	570	610	732	846	943
		31,920	36,456	40,992	45,528	49,224	52,836	56,532	60,144	140% of 60%					
JOHNSTON COUNTY	40,900	18,400	21,000	23,650	26,250	28,350	30,450	32,550	34,650	50%	460	492	591	682	761
		25,760	29,400	33,110	36,750	39,690	42,630	45,570	48,510	140% of 50%					
		22,080	25,200	28,380	31,500	34,020	36,540	39,060	41,580	60%	552	591	709	819	913
		30,912	35,280	39,732	44,100	47,628	51,156	54,684	58,212	140% of 60%					

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MSA/COUNTY	MEDIAN INCOME	INCOME LIMITS FOR A GIVEN NUMBER OF PERSONS IN THE FAMILY 1	2	3	4	5	6	7	8		MAXIMUM RENTS FOR GIVEN # BEDROOMS EFF	1	2	3	4
KAY COUNTY	51,600	18,400	21,000	23,650	26,250	28,350	30,450	32,550	34,650	50%	460	492	591	682	761
		25,760	29,400	33,110	36,750	39,690	42,630	45,570	48,510	140% of 50%					
		22,080	25,200	28,380	31,500	34,020	36,540	39,060	41,580	60%	552	591	709	819	913
		30,912	35,280	39,732	44,100	47,628	51,156	54,684	58,212	140% of 60%					
KAY COUNTY															
HERA Special		19,050	21,800	24,500	27,200	29,400	31,600	33,750	35,950	50%	476	510	612	707	790
		26,670	30,520	34,300	38,080	41,160	44,240	47,250	50,330	140% of 50%					
		22,860	26,160	29,400	32,640	35,280	37,920	40,500	43,140	60%	571	612	735	849	948
		32,004	36,624	41,160	45,696	49,392	53,088	56,700	60,396	140% of 60%					
KINGFISHER COUNTY	63,200	22,150	25,300	28,450	31,600	34,150	36,700	39,200	41,750	50%	553	593	711	821	917
		31,010	35,420	39,830	44,240	47,810	51,380	54,880	58,450	140% of 50%					
		26,580	30,360	34,140	37,920	40,980	44,040	47,040	50,100	60%	664	711	853	986	1,101
		37,212	42,504	47,796	53,088	57,372	61,656	65,856	70,140	140% of 60%					
KINGFISHER COUNTY															
HERA Special		22,500	25,700	28,900	32,100	34,700	37,250	39,850	42,400	50%	562	602	722	835	931
		31,500	35,980	40,460	44,940	48,580	52,150	55,790	59,360	140% of 50%					
		27,000	30,840	34,680	38,520	41,640	44,700	47,820	50,880	60%	675	723	867	1,002	1,117
		37,800	43,176	48,552	53,928	58,296	62,580	66,948	71,232	140% of 60%					
KIOWA COUNTY	47,200	18,400	21,000	23,650	26,250	28,350	30,450	32,550	34,650	50%	460	492	591	682	761
		25,760	29,400	33,110	36,750	39,690	42,630	45,570	48,510	140% of 50%					
		22,080	25,200	28,380	31,500	34,020	36,540	39,060	41,580	60%	552	591	709	819	913
		30,912	35,280	39,732	44,100	47,628	51,156	54,684	58,212	140% of 60%					

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MSA/COUNTY	MEDIAN INCOME	INCOME LIMITS FOR A GIVEN NUMBER OF PERSONS IN THE FAMILY 1	2	3	4	5	6	7	8		MAXIMUM RENTS FOR GIVEN # BEDROOMS EFF	1	2	3	4
LATIMER COUNTY	51,200	18,400	21,000	23,650	26,250	28,350	30,450	32,550	34,650	50%	460	492	591	682	761
		25,760	29,400	33,110	36,750	39,690	42,630	45,570	48,510	140% of 50%					
		22,080	25,200	28,380	31,500	34,020	36,540	39,060	41,580	60%	552	591	709	819	913
		30,912	35,280	39,732	44,100	47,628	51,156	54,684	58,212	140% of 60%					
LATIMER COUNTY															
HERA Special		21,250	24,300	27,350	30,350	32,800	35,250	37,650	40,100	50%	531	569	683	789	881
		29,750	34,020	38,290	42,490	45,920	49,350	52,710	56,140	140% of 50%					
		25,500	29,160	32,820	36,420	39,360	42,300	45,180	48,120	60%	637	683	820	947	1,057
		35,700	40,824	45,948	50,988	55,104	59,220	63,252	67,368	140% of 60%					
LOVE COUNTY	52,100	18,400	21,000	23,650	26,250	28,350	30,450	32,550	34,650	50%	460	492	591	682	761
		25,760	29,400	33,110	36,750	39,690	42,630	45,570	48,510	140% of 50%					
		22,080	25,200	28,380	31,500	34,020	36,540	39,060	41,580	60%	552	591	709	819	913
		30,912	35,280	39,732	44,100	47,628	51,156	54,684	58,212	140% of 60%					
LOVE COUNTY															
HERA Special		20,150	23,000	25,900	28,750	31,050	33,350	33,650	37,950	50%	503	539	647	747	833
		28,210	32,200	36,260	40,250	43,470	46,690	47,110	53,130	140% of 50%					
		24,180	27,600	31,080	34,500	37,260	40,020	40,380	45,540	60%	604	647	777	897	1,000
		33,852	38,640	43,512	48,300	52,164	56,028	56,532	63,756	140% of 60%					
MAJOR COUNTY	61,900	21,450	24,500	27,550	30,600	33,050	35,500	37,950	40,400	50%	536	574	688	795	887
		30,030	34,300	38,570	42,840	46,270	49,700	53,130	56,560	140% of 50%					
		25,740	29,400	33,060	36,720	39,660	42,600	45,540	48,480	60%	643	689	826	954	1,065
		36,036	41,160	46,284	51,408	55,524	59,640	63,756	67,872	140% of 60%					

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MSA/COUNTY	MEDIAN INCOME	INCOME LIMITS FOR A GIVEN NUMBER OF PERSONS IN THE FAMILY 1	2	3	4	5	6	7	8		MAXIMUM RENTS FOR GIVEN # BEDROOMS EFF	1	2	3	4
MAJOR COUNTY															
HERA Special		21,700	24,800	27,900	30,950	33,450	35,950	38,400	40,900	50%	542	581	697	805	898
		30,380	34,720	39,060	43,330	46,830	50,330	53,760	57,260	140% of 50%					
		26,040	29,760	33,480	37,140	40,140	43,140	46,080	49,080	60%	651	697	837	966	1,078
		36,456	41,664	46,872	51,996	56,196	60,396	64,512	68,712	140% of 60%					
MARSHALL COUNTY	49,000	18,400	21,000	23,650	26,250	28,350	30,450	32,550	34,650	50%	460	492	591	682	761
		25,760	29,400	33,110	36,750	39,690	42,630	45,570	48,510	140% of 50%					
		22,080	25,200	28,380	31,500	34,020	36,540	39,060	41,580	60%	552	591	709	819	913
		30,912	35,280	39,732	44,100	47,628	51,156	54,684	58,212	140% of 60%					
MARSHALL COUNTY															
HERA Special		20,350	23,250	26,150	29,050	31,400	33,700	36,050	38,350	50%	508	545	653	755	842
		28,490	32,550	36,610	40,670	43,960	47,180	50,470	53,690	140% of 50%					
		24,420	27,900	31,380	34,860	37,680	40,440	43,260	46,020	60%	610	654	784	906	1,011
		34,188	39,060	43,932	48,804	52,752	56,616	60,564	64,428	140% of 60%					
MAYES COUNTY	54,100	18,950	21,650	24,350	27,050	29,250	31,400	33,550	35,750	50%	473	507	608	703	785
		26,530	30,310	34,090	37,870	40,950	43,960	46,970	50,050	140% of 50%					
		22,740	25,980	29,220	32,460	35,100	37,680	40,260	42,900	60%	568	609	730	844	942
		31,836	36,372	40,908	45,444	49,140	52,752	56,364	60,060	140% of 60%					
MAYES COUNTY															
HERA Special		19,150	21,850	24,600	27,300	29,500	31,700	33,900	36,050	50%	478	512	615	710	792
		26,810	30,590	34,440	38,220	41,300	44,380	47,460	50,470	140% of 50%					
		22,980	26,220	29,520	32,760	35,400	38,040	40,680	43,260	60%	574	615	738	852	951
		32,172	36,708	41,328	45,864	49,560	53,256	56,952	60,564	140% of 60%					

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MSA/COUNTY	MEDIAN INCOME	INCOME LIMITS FOR A GIVEN NUMBER OF PERSONS IN THE FAMILY 1	2	3	4	5	6	7	8		MAXIMUM RENTS FOR GIVEN # BEDROOMS EFF	1	2	3	4
MCCURTAIN COUNTY	41,300	18,400	21,000	23,650	26,250	28,350	30,450	32,550	34,650	50%	460	492	591	682	761
		25,760	29,400	33,110	36,750	39,690	42,630	45,570	48,510	140% of 50%					
		22,080	25,200	28,380	31,500	34,020	36,540	39,060	41,580	60%	552	591	709	819	913
		30,912	35,280	39,732	44,100	47,628	51,156	54,684	58,212	140% of 60%					
MCCURTAIN COUNTY															
HERA Special		19,300	22,050	24,800	27,550	29,800	32,000	34,200	36,400	50%	482	516	620	716	800
		27,020	30,870	34,720	38,570	41,720	44,800	47,880	50,960	140% of 50%					
		23,160	26,460	29,760	33,060	35,760	38,400	41,040	43,680	60%	579	620	744	860	960
		32,424	37,044	41,664	46,284	50,064	53,760	57,456	61,152	140% of 60%					
MCINTOSH COUNTY	45,600	18,400	21,000	23,650	26,250	28,350	30,450	32,550	34,650	50%	460	492	591	682	761
		25,760	29,400	33,110	36,750	39,690	42,630	45,570	48,510	140% of 50%					
		22,080	25,200	28,380	31,500	34,020	36,540	39,060	41,580	60%	552	591	709	819	913
		30,912	35,280	39,732	44,100	47,628	51,156	54,684	58,212	140% of 60%					
MURRAY COUNTY	54,700	19,150	21,900	24,650	27,350	29,550	31,750	33,950	36,150	50%	478	513	616	711	793
		26,810	30,660	34,510	38,290	41,370	44,450	47,530	50,610	140% of 50%					
		22,980	26,280	29,580	32,820	35,460	38,100	40,740	43,380	60%	574	615	739	853	952
		32,172	36,792	41,412	45,948	49,644	53,340	57,036	60,732	140% of 60%					
MURRAY COUNTY															
HERA Special		19,750	22,600	25,400	28,200	30,500	32,750	35,000	37,250	50%	493	529	635	733	818
		27,650	31,640	35,560	39,480	42,700	45,850	49,000	52,150	140% of 50%					
		23,700	27,120	30,480	33,840	36,600	39,300	42,000	44,700	60%	592	635	762	880	982
		33,180	37,968	42,672	47,376	51,240	55,020	58,800	62,580	140% of 60%					

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MSA/COUNTY	MEDIAN INCOME	INCOME LIMITS FOR A GIVEN NUMBER OF PERSONS IN THE FAMILY 1	2	3	4	5	6	7	8		MAXIMUM RENTS FOR GIVEN # BEDROOMS EFF	1	2	3	4
MUSKOGEE COUNTY	51,600	18,400	21,000	23,650	26,250	28,350	30,450	32,550	34,650	50%	460	492	591	682	761
		25,760	29,400	33,110	36,750	39,690	42,630	45,570	48,510	140% of 50%					
		22,080	25,200	28,380	31,500	34,020	36,540	39,060	41,580	60%	552	591	709	819	913
		30,912	35,280	39,732	44,100	47,628	51,156	54,684	58,212	140% of 60%					
NOBLE COUNTY	56,500	19,800	22,600	25,450	28,250	30,550	32,800	35,050	37,300	50%	495	530	636	735	820
		27,720	31,640	35,630	39,550	42,770	45,920	49,070	52,220	140% of 50%					
		23,760	27,120	30,540	33,900	36,660	39,360	42,060	44,760	60%	594	636	763	882	984
		33,264	37,968	42,756	47,460	51,324	55,104	58,884	62,664	140% of 60%					
NOWATA COUNTY	50,000	18,400	21,000	23,650	26,250	28,350	30,450	32,550	34,650	50%	460	492	591	682	761
		25,760	29,400	33,110	36,750	39,690	42,630	45,570	48,510	140% of 50%					
		22,080	25,200	28,380	31,500	34,020	36,540	39,060	41,580	60%	552	591	709	819	913
		30,912	35,280	39,732	44,100	47,628	51,156	54,684	58,212	140% of 60%					
OKFUSKEE COUNTY	44,600	18,400	21,000	23,650	26,250	28,350	30,450	32,550	34,650	50%	460	492	591	682	761
		25,760	29,400	33,110	36,750	39,690	42,630	45,570	48,510	140% of 50%					
		22,080	25,200	28,380	31,500	34,020	36,540	39,060	41,580	60%	552	591	709	819	913
		30,912	35,280	39,732	44,100	47,628	51,156	54,684	58,212	140% of 60%					
OKFUSKEE COUNTY															
HERA Special		18,700	21,400	24,050	26,700	28,850	31,000	33,150	35,250	50%	467	501	601	694	775
		26,180	29,960	33,670	37,380	40,390	43,400	46,410	49,350	140% of 50%					
		22,440	25,680	28,860	32,040	34,620	37,200	39,780	42,300	60%	561	601	721	833	930
		31,416	35,952	40,404	44,856	48,468	52,080	55,692	59,220	140% of 60%					

STATE OF OKLAHOMA

Maximum Income and Maximum Rent to Qualify Units as Low-Income
for the Low Income Housing Tax Credit Program - 2016 Calculations

Effective 3-28-2016

All rents include utilities

MSA/COUNTY	MEDIAN INCOME	INCOME LIMITS FOR A GIVEN NUMBER OF PERSONS IN THE FAMILY 1	2	3	4	5	6	7	8		MAXIMUM RENTS FOR GIVEN # BEDROOMS EFF	1	2	3	4
OTTAWA COUNTY	45,300	18,400	21,000	23,650	26,250	28,350	30,450	32,550	34,650	50%	460	492	591	682	761
		25,760	29,400	33,110	36,750	39,690	42,630	45,570	48,510	140% of 50%					
		22,080	25,200	28,380	31,500	34,020	36,540	39,060	41,580	60%	552	591	709	819	913
		30,912	35,280	39,732	44,100	47,628	51,156	54,684	58,212	140% of 60%					
PAYNE COUNTY	58,300	20,450	23,350	26,250	29,150	31,500	33,850	36,150	38,500	50%	511	547	656	758	846
		28,630	32,690	36,750	40,810	44,100	47,390	50,610	53,900	140% of 50%					
		24,540	28,020	31,500	34,980	37,800	40,620	43,380	46,200	60%	613	657	787	909	1,015
		34,356	39,228	44,100	48,972	52,920	56,868	60,732	64,680	140% of 60%					
PITTSBURG COUNTY	52,200	18,400	21,000	23,650	26,250	28,350	30,450	32,550	34,650	50%	460	492	591	682	761
		25,760	29,400	33,110	36,750	39,690	42,630	45,570	48,510	140% of 50%					
		22,080	25,200	28,380	31,500	34,020	36,540	39,060	41,580	60%	552	591	709	819	913
		30,912	35,280	39,732	44,100	47,628	51,156	54,684	58,212	140% of 60%					
PITTSBURG COUNTY															
HERA Special		18,850	21,550	24,250	26,900	29,100	31,250	33,400	35,550	50%	471	505	606	700	781
		26,390	30,170	33,950	37,660	40,740	43,750	46,760	49,770	140% of 50%					
		22,620	25,860	29,100	32,280	34,920	37,500	40,080	42,660	60%	565	606	727	840	937
		31,668	36,204	40,740	45,192	48,888	52,500	56,112	59,724	140% of 60%					
PONTOTOC COUNTY	54,100	18,950	21,650	24,350	27,050	29,250	31,400	33,550	35,750	50%	473	507	608	703	785
		26,530	30,310	34,090	37,870	40,950	43,960	46,970	50,050	140% of 50%					
		22,740	25,980	29,220	32,460	35,100	37,680	40,260	42,900	60%	568	609	730	844	942
		31,836	36,372	40,908	45,444	49,140	52,752	56,364	60,060	140% of 60%					

STATE OF OKLAHOMA

Maximum Income and Maximum Rent to Qualify Units as Low-Income
for the Low Income Housing Tax Credit Program - 2016 Calculations

Effective 3-28-2016

All rents include utilities

MSA/COUNTY	MEDIAN INCOME	INCOME LIMITS FOR A GIVEN NUMBER OF PERSONS IN THE FAMILY 1	2	3	4	5	6	7	8		MAXIMUM RENTS FOR GIVEN # BEDROOMS EFF	1	2	3	4
PONTOTOC COUNTY															
HERA Special		19,700	22,500	25,300	28,100	30,350	32,600	34,850	37,100	50%	492	527	632	730	815
		27,580	31,500	35,420	39,340	42,490	45,640	48,790	51,940	140% of 50%					
		23,640	27,000	30,360	33,720	36,420	39,120	41,820	44,520	60%	591	633	759	876	978
		33,096	37,800	42,504	47,208	50,988	54,768	58,548	62,328	140% of 60%					
POTTAWATOMIE COUNTY	53,600	18,800	21,450	24,150	26,800	28,950	31,100	33,250	35,400	50%	470	503	603	696	777
		26,320	30,030	33,810	37,520	40,530	43,540	46,550	49,560	140% of 50%					
		22,560	25,740	28,980	32,160	34,740	37,320	39,900	42,480	60%	564	603	724	836	933
		31,584	36,036	40,572	45,024	48,636	52,248	55,860	59,472	140% of 60%					
POTTAWATOMIE COUNTY															
HERA Special		20,600	23,550	26,500	29,400	31,800	34,150	36,500	38,850	50%	515	551	662	765	853
		28,840	32,970	37,100	41,160	44,520	47,810	51,100	54,390	140% of 50%					
		24,720	28,260	31,800	35,280	38,160	40,980	43,800	46,620	60%	618	662	795	918	1,024
		34,608	39,564	44,520	49,392	53,424	57,372	61,320	65,268	140% of 60%					
PUSHMATAHA COUNTY	39,900	18,400	21,000	23,650	26,250	28,350	30,450	32,550	34,650	50%	460	492	591	682	761
		25,760	29,400	33,110	36,750	39,690	42,630	45,570	48,510	140% of 50%					
		22,080	25,200	28,380	31,500	34,020	36,540	39,060	41,580	60%	552	591	709	819	913
		30,912	35,280	39,732	44,100	47,628	51,156	54,684	58,212	140% of 60%					
ROGER MILLS COUNTY	63,200	22,150	25,300	28,450	31,600	34,150	36,700	39,200	41,750	50%	553	593	711	821	917
		31,010	35,420	39,830	44,240	47,810	51,380	54,880	58,450	140% of 50%					
		26,580	30,360	34,140	37,920	40,980	44,040	47,040	50,100	60%	664	711	853	986	1,101
		37,212	42,504	47,796	53,088	57,372	61,656	65,856	70,140	140% of 60%					

STATE OF OKLAHOMA

Maximum Income and Maximum Rent to Qualify Units as Low-Income
for the Low Income Housing Tax Credit Program - 2016 Calculations

Effective 3-28-2016

All rents include utilities

MSA/COUNTY	MEDIAN INCOME	INCOME LIMITS FOR A GIVEN NUMBER OF PERSONS IN THE FAMILY 1	2	3	4	5	6	7	8		MAXIMUM RENTS FOR GIVEN # BEDROOMS EFF	1	2	3	4
SEMINOLE COUNTY	43,900	18,400	21,000	23,650	26,250	28,350	30,450	32,550	34,650	50%	460	492	591	682	761
		25,760	29,400	33,110	36,750	39,690	42,630	45,570	48,510	140% of 50%					
		22,080	25,200	28,380	31,500	34,020	36,540	39,060	41,580	60%	552	591	709	819	913
		30,912	35,280	39,732	44,100	47,628	51,156	54,684	58,212	140% of 60%					
SEMINOLE COUNTY															
HERA Special		18,650	21,300	23,950	26,600	28,750	30,900	33,000	35,150	50%	466	499	598	691	772
		26,110	29,820	33,530	37,240	40,250	43,260	46,200	49,210	140% of 50%					
		22,380	25,560	28,740	31,920	34,500	37,080	39,600	42,180	60%	559	599	718	830	927
		31,332	35,784	40,236	44,688	48,300	51,912	55,440	59,052	140% of 60%					
STEPHENS COUNTY	59,400	20,800	23,800	26,750	29,700	32,100	34,500	36,850	39,250	50%	520	557	668	772	862
		29,120	33,320	37,450	41,580	44,940	48,300	51,590	54,950	140% of 50%					
		24,960	28,560	32,100	35,640	38,520	41,400	44,220	47,100	60%	624	669	802	927	1,035
		34,944	39,984	44,940	49,896	53,928	57,960	61,908	65,940	140% of 60%					
TEXAS COUNTY	59,200	20,750	23,700	26,650	29,600	32,000	34,350	36,750	39,100	50%	518	555	666	770	858
		29,050	33,180	37,310	41,440	44,800	48,090	51,450	54,740	140% of 50%					
		24,900	28,440	31,980	35,520	38,400	41,220	44,100	46,920	60%	622	666	799	924	1,030
		34,860	39,816	44,772	49,728	53,760	57,708	61,740	65,688	140% of 60%					
TEXAS COUNTY															
HERA Special		21,350	24,400	27,450	30,500	32,950	35,400	37,850	40,300	50%	533	571	686	793	885
		29,890	34,160	38,430	42,700	46,130	49,560	52,990	56,420	140% of 50%					
		25,620	29,280	32,940	36,600	39,540	42,480	45,420	48,360	60%	640	686	823	951	1,062
		35,868	40,992	46,116	51,240	55,356	59,472	63,588	67,704	140% of 60%					

STATE OF OKLAHOMA

Maximum Income and Maximum Rent to Qualify Units as Low-Income
for the Low Income Housing Tax Credit Program - 2016 Calculations

Effective 3-28-2016

All rents include utilities

MSA/COUNTY	MEDIAN INCOME	INCOME LIMITS FOR A GIVEN NUMBER OF PERSONS IN THE FAMILY 1	2	3	4	5	6	7	8		MAXIMUM RENTS FOR GIVEN # BEDROOMS EFF	1	2	3	4
TILLMAN COUNTY	46,700	18,400	21,000	23,650	26,250	28,350	30,450	32,550	34,650	50%	460	492	591	682	761
		25,760	29,400	33,110	36,750	39,690	42,630	45,570	48,510	140% of 50%					
		22,080	25,200	28,380	31,500	34,020	36,540	39,060	41,580	60%	552	591	709	819	913
		30,912	35,280	39,732	44,100	47,628	51,156	54,684	58,212	140% of 60%					
TILLMAN COUNTY															
HERA Special		18,950	21,650	24,350	27,050	29,250	31,400	33,550	35,750	50%	473	507	608	703	785
		26,530	30,310	34,090	37,870	40,950	43,960	46,970	50,050	140% of 50%					
		22,740	25,980	29,220	32,460	35,100	37,680	40,260	42,900	60%	568	609	730	844	942
		31,836	36,372	40,908	45,444	49,140	52,752	56,364	60,060	140% of 60%					
WASHINGTON COUNTY	60,300	21,150	24,150	27,150	30,150	32,600	35,000	37,400	39,800	50%	528	566	678	784	875
		29,610	33,810	38,010	42,210	45,640	49,000	52,360	55,720	140% of 50%					
		25,380	28,980	32,580	36,180	39,120	42,000	44,880	47,760	60%	634	679	814	941	1,050
		35,532	40,572	45,612	50,652	54,768	58,800	62,832	66,864	140% of 60%					
WASHITA COUNTY	55,300	20,200	23,100	26,000	28,850	31,200	33,500	35,800	38,100	50%	505	541	650	750	837
		28,280	32,340	36,400	40,390	43,680	46,900	50,120	53,340	140% of 50%					
		24,240	27,720	31,200	34,620	37,440	40,200	42,960	45,720	60%	606	649	780	900	1,005
		33,936	38,808	43,680	48,468	52,416	56,280	60,144	64,008	140% of 60%					
WASHITA COUNTY															
HERA Special		21,250	24,300	27,350	30,350	32,800	35,250	37,650	40,100	50%	531	569	683	789	881
		29,750	34,020	38,290	42,490	45,920	49,350	52,710	56,140	140% of 50%					
		25,500	29,160	32,820	36,420	39,360	42,300	45,180	48,120	60%	637	683	820	947	1,057
		35,700	40,824	45,948	50,988	55,104	59,220	63,252	67,368	140% of 60%					

STATE OF OKLAHOMA

Maximum Income and Maximum Rent to Qualify Units as Low-Income
for the Low Income Housing Tax Credit Program - 2016 Calculations

Effective 3-28-2016

All rents include utilities

MSA/COUNTY	MEDIAN INCOME	INCOME LIMITS FOR A GIVEN NUMBER OF PERSONS IN THE FAMILY 1	2	3	4	5	6	7	8		MAXIMUM RENTS FOR GIVEN # BEDROOMS EFF	1	2	3	4
WOODS COUNTY	66,800	23,400	26,750	30,100	33,400	36,100	38,750	41,450	44,100	50%	585	626	752	868	968
		32,760	37,450	42,140	46,760	50,540	54,250	58,030	61,740	140% of 50%					
		28,080	32,100	36,120	40,080	43,320	46,500	49,740	52,920	60%	702	752	903	1,042	1,162
		39,312	44,940	50,568	56,112	60,648	65,100	69,636	74,088	140% of 60%					
WOODWARD COUNTY	64,800	22,700	25,950	29,200	32,400	35,000	37,600	40,200	42,800	50%	567	608	730	842	940
		31,780	36,330	40,880	45,360	49,000	52,640	56,280	59,920	140% of 50%					
		27,240	31,140	35,040	38,880	42,000	45,120	48,240	51,360	60%	681	729	876	1,011	1,128
		38,136	43,596	49,056	54,432	58,800	63,168	67,536	71,904	140% of 60%					

U.S. DEPARTMENT OF HUD SECTION 8 – EXISTING AND MODERATE REHABILITATION HOUSING ALLOWANCES FOR TENANT – FURNISHED UTILITIES AND OTHER SERVICES

Date: October 1, 2015 **2700 Degree Days**

UNIT TYPE: MULTIFAMILY (LOW RISE APARTMENTS, HIGH RISE APARTMENTS)

UTILITY OR SERVICE		MONTHLY DOLLAR ALLOWANCES					
		0 BR	1 BR	2 BR	3 BR	4 BR	5BR
HEATING:	a. Natural Gas	28.00	32.00	39.00	43.00	50.00	57.00
	b. Bottle Gas	35.00	45.00	60.00	71.00	85.00	100.00
	c. Oil	-0-	-0-	-0-	-0-	-0-	-0-
	d. Electric	9.00	12.00	16.00	20.00	24.00	27.00
COOKING:	a. Natural Gas	7.00	8.00	10.00	12.00	13.00	14.00
	b. Electric	4.00	5.00	7.00	9.00	12.00	13.00
	c. Bottle Gas	15.00	18.00	22.00	26.00	28.00	33.00
ELECTRIC LIGHTING, REFRIGERATION, ETC.		26.00	27.00	30.00	32.00	33.00	34.00
AIR CONDITIONING		6.00	7.00	8.00	9.00	10.00	12.00
WATER HEATING:	a. Natural Gas	11.00	14.00	17.00	20.00	23.00	26.00
	b. Electric	11.00	14.00	18.00	21.00	25.00	29.00
	c. Bottle Gas	24.00	33.00	39.00	46.00	53.00	59.00
	d. Oil	-0-	-0-	-0-	-0-	-0-	-0-
WATER		27.00	32.00	36.00	40.00	46.00	51.00
SEWER		15.00	21.00	27.00	33.00	42.00	49.00
TRASH		20.00	20.00	20.00	20.00	20.00	20.00
RANGE		2.00	2.00	2.00	2.00	2.00	2.00
REFRIGERATOR		3.00	3.00	3.00	3.00	3.00	3.00
OTHER							

ACTUAL FAMILY ALLOWANCES (To be used by family to compute allowance. Complete below for Actual Unit Rented)

APPLICABLE COUNTIES:	Utility or Service	Per Month
Bryan, Carter, Cherokee, Choctaw, Jefferson, Love, Marshall, McCurtain, Murray, Muskogee	HEATING	$ _____
	COOKING	$ _____
	OTHER ELECTRIC	$ _____
	WATER HEATING	$ _____
	WATER	$ _____
	SEWER	$ _____
	TRASH COLLECTION	$ _____
	RANGE	$ _____
	REFRIGERATOR	$ _____
	OTHER (Specify)	$ _____
	TOTAL	$ _____

OHFA-69 4/14/15

U.S. DEPARTMENT OF HUD SECTION 8 – EXISTING AND MODERATE REHABILITATION HOUSING ALLOWANCES FOR TENANT – FURNISHED UTILITIES AND OTHER SERVICES

Date: October 1, 2015 **2700 Degree Days**

UNIT TYPE: MOBILE HOME

UTILITY OR SERVICE		MONTHLY DOLLAR ALLOWANCES					
		0 BR	1 BR	2 BR	3 BR	4 BR	5BR
HEATING:	a. Natural Gas	38.00	44.00	53.00	59.00	68.00	77.00
	b. Bottle Gas	47.00	61.00	82.00	95.00	115.00	136.00
	c. Oil	-0-	-0-	-0-	-0-	-0-	-0-
	d. Electric	13.00	16.00	22.00	26.00	32.00	37.00
COOKING:	a. Natural Gas	7.00	8.00	10.00	12.00	13.00	14.00
	b. Electric	4.00	5.00	7.00	9.00	12.00	13.00
	c. Bottle Gas	15.00	18.00	22.00	26.00	28.00	33.00
ELECTRIC LIGHTING, REFRIGERATION, ETC.		26.00	27.00	30.00	32.00	33.00	34.00
AIR CONDITIONING		8.00	9.00	10.00	13.00	14.00	16.00
WATER HEATING:	a. Natural Gas	11.00	14.00	17.00	20.00	23.00	26.00
	b. Electric	11.00	14.00	18.00	21.00	25.00	29.00
	c. Bottle Gas	24.00	33.00	39.00	46.00	53.00	59.00
	d. Oil	-0-	-0-	-0-	-0-	-0-	-0-
WATER		27.00	32.00	36.00	40.00	46.00	51.00
SEWER		15.00	21.00	27.00	33.00	42.00	49.00
TRASH		20.00	20.00	20.00	20.00	20.00	20.00
RANGE		2.00	2.00	2.00	2.00	2.00	2.00
REFRIGERATOR		3.00	3.00	3.00	3.00	3.00	3.00
OTHER							

ACTUAL FAMILY ALLOWANCES (To be used by family to compute allowance. Complete below for Actual Unit Rented)

APPLICABLE COUNTIES:	Utility or Service	Per Month
Bryan, Carter, Cherokee, Choctaw, Jefferson, Love, Marshall, McCurtain, Murray, Muskogee	HEATING	$ _____
	COOKING	$ _____
	OTHER ELECTRIC	$ _____
	WATER HEATING	$ _____
	WATER	$ _____
	SEWER	$ _____
	TRASH COLLECTION	$ _____
	RANGE	$ _____
	REFRIGERATOR	$ _____
	OTHER (Specify)	$ _____
	TOTAL	$ _____

OHFA-69 4/14/15

U.S. DEPARTMENT OF HUD SECTION 8 – EXISTING AND MODERATE REHABILITATION HOUSING ALLOWANCES FOR TENANT – FURNISHED UTILITIES AND OTHER SERVICES

Date: October 1, 2015 **2700 Degree Days**

UNIT TYPE: SINGLE FAMILY (DETACHED, DUPLEX, ROW HOUSE, TOWNHOUSE)

UTILITY OR SERVICE		MONTHLY DOLLAR ALLOWANCES					
		0 BR	1 BR	2 BR	3 BR	4 BR	5BR
HEATING:	a. Natural Gas	33.00	38.00	46.00	51.00	59.00	67.00
	b. Bottle Gas	41.00	53.00	71.00	83.00	100.00	118.00
	c. Oil	-0-	-0-	-0-	-0-	-0-	-0-
	d. Electric	11.00	14.00	19.00	23.00	28.00	32.00
COOKING:	a. Natural Gas	7.00	8.00	10.00	12.00	13.00	14.00
	b. Electric	4.00	5.00	7.00	9.00	12.00	13.00
	c. Bottle Gas	15.00	18.00	22.00	26.00	28.00	33.00
ELECTRIC LIGHTING, REFRIGERATION, ETC.		26.00	27.00	30.00	32.00	33.00	34.00
AIR CONDITIONING		7.00	8.00	9.00	11.00	12.00	14.00
WATER HEATING:	a. Natural Gas	11.00	14.00	17.00	20.00	23.00	26.00
	b. Electric	11.00	14.00	18.00	21.00	25.00	29.00
	c. Bottle Gas	24.00	33.00	39.00	46.00	53.00	59.00
	d. Oil	-0-	-0-	-0-	-0-	-0-	-0-
WATER		27.00	32.00	36.00	40.00	46.00	51.00
SEWER		15.00	21.00	27.00	33.00	42.00	49.00
TRASH		20.00	20.00	20.00	20.00	20.00	20.00
RANGE		2.00	2.00	2.00	2.00	2.00	2.00
REFRIGERATOR		3.00	3.00	3.00	3.00	3.00	3.00
OTHER							

ACTUAL FAMILY ALLOWANCES (To be used by family to compute allowance. Complete below for Actual Unit Rented)

APPLICABLE COUNTIES:	Utility or Service	Per Month
Bryan, Carter, Cherokee, Choctaw, Jefferson, Love, Marshall, McCurtain, Murray, Muskogee	HEATING	$ _____
	COOKING	$ _____
	OTHER ELECTRIC	$ _____
	WATER HEATING	$ _____
	WATER	$ _____
	SEWER	$ _____
	TRASH COLLECTION	$ _____
	RANGE	$ _____
	REFRIGERATOR	$ _____
	OTHER (Specify)	$ _____
	TOTAL	$ _____

OHFA-69 4/14/15

U.S. DEPARTMENT OF HUD SECTION 8 – EXISTING AND MODERATE REHABILITATION HOUSING ALLOWANCES FOR TENANT – FURNISHED UTILITIES AND OTHER SERVICES

Date: October 1, 2015 **3200 Degree Days**

UNIT TYPE: MULTIFAMILY (LOW RISE APARTMENTS, HIGH RISE APARTMENTS)

UTILITY OR SERVICE		MONTHLY DOLLAR ALLOWANCES					
		0 BR	1 BR	2 BR	3 BR	4 BR	5BR
HEATING:	a. Natural Gas	31.00	37.00	44.00	49.00	57.00	65.00
	b. Bottle Gas	42.00	54.00	71.00	83.00	101.00	119.00
	c. Oil	-0-	-0-	-0-	-0-	-0-	-0-
	d. Electric	11.00	14.00	19.00	24.00	28.00	33.00
COOKING:	a. Natural Gas	7.00	8.00	10.00	12.00	13.00	14.00
	b. Electric	4.00	5.00	7.00	9.00	12.00	13.00
	c. Bottle Gas	15.00	18.00	22.00	26.00	28.00	33.00
ELECTRIC LIGHTING, REFRIGERATION, ETC.		26.00	27.00	30.00	32.00	33.00	34.00
AIR CONDITIONING		7.00	8.00	9.00	11.00	13.00	14.00
WATER HEATING:	a. Natural Gas	11.00	14.00	17.00	20.00	23.00	26.00
	b. Electric	11.00	14.00	18.00	21.00	25.00	29.00
	c. Bottle Gas	24.00	33.00	39.00	46.00	53.00	59.00
	d. Oil	-0-	-0-	-0-	-0-	-0-	-0-
WATER		27.00	32.00	36.00	40.00	46.00	51.00
SEWER		15.00	21.00	27.00	33.00	42.00	49.00
TRASH		20.00	20.00	20.00	20.00	20.00	20.00
RANGE		2.00	2.00	2.00	2.00	2.00	2.00
REFRIGERATOR		3.00	3.00	3.00	3.00	3.00	3.00
OTHER							

ACTUAL FAMILY ALLOWANCES (To be used by family to compute allowance. Complete below for Actual Unit Rented)

APPLICABLE COUNTIES:	Utility or Service	Per Month
Atoka, Coal, Comanche, Cotton, Garvin, Grady, Greer, Harmon, Haskell, Hughes, Jackson, Johnston, Latimer, LeFlore, Okfuskee, Okmulgee, Pittsburg, Pontotoc, Pottawatomie, Pushmataha, Seminole, Sequoyah, Stephens	HEATING	$ _____
	COOKING	$ _____
	OTHER ELECTRIC	$ _____
	WATER HEATING	$ _____
	WATER	$ _____
	SEWER	$ _____
	TRASH COLLECTION	$ _____
	RANGE	$ _____
	REFRIGERATOR	$ _____
	OTHER (Specify)	$ _____
	TOTAL	$ _____

OHFA-69 4/14/15

U.S. DEPARTMENT OF HUD SECTION 8 – EXISTING AND MODERATE REHABILITATION HOUSING ALLOWANCES FOR TENANT – FURNISHED UTILITIES AND OTHER SERVICES

Date: October 1, 2015 **3200 Degree Days**

UNIT TYPE: MOBILE HOME

UTILITY OR SERVICE		MONTHLY DOLLAR ALLOWANCES					
		0 BR	1 BR	2 BR	3 BR	4 BR	5BR
HEATING:	a. Natural Gas	41.00	49.00	60.00	67.00	77.00	87.00
	b. Bottle Gas	56.00	72.00	97.00	113.00	137.00	161.00
	c. Oil	-0-	-0-	-0-	-0-	-0-	-0-
	d. Electric	15.00	20.00	25.00	32.00	38.00	45.00
COOKING:	a. Natural Gas	7.00	8.00	10.00	12.00	13.00	14.00
	b. Electric	4.00	5.00	7.00	9.00	12.00	13.00
	c. Bottle Gas	15.00	18.00	22.00	26.00	28.00	33.00
ELECTRIC LIGHTING, REFRIGERATION, ETC.		26.00	27.00	30.00	32.00	33.00	34.00
AIR CONDITIONING		9.00	10.00	13.00	15.00	17.00	20.00
WATER HEATING:	a. Natural Gas	11.00	14.00	17.00	20.00	23.00	26.00
	b. Electric	11.00	14.00	18.00	21.00	25.00	29.00
	c. Bottle Gas	24.00	33.00	39.00	46.00	53.00	59.00
	d. Oil	-0-	-0-	-0-	-0-	-0-	-0-
WATER		27.00	32.00	36.00	40.00	46.00	51.00
SEWER		15.00	21.00	27.00	33.00	42.00	49.00
TRASH		20.00	20.00	20.00	20.00	20.00	20.00
RANGE		2.00	2.00	2.00	2.00	2.00	2.00
REFRIGERATOR		3.00	3.00	3.00	3.00	3.00	3.00
OTHER							

ACTUAL FAMILY ALLOWANCES (To be used by family to compute allowance. Complete below for Actual Unit Rented)

APPLICABLE COUNTIES:	Utility or Service	Per Month
Atoka, Coal, Comanche, Cotton, Garvin, Grady, Greer, Harmon, Haskell, Hughes, Jackson, Johnston, Latimer, LeFlore, Okfuskee, Okmulgee, Pittsburg, Pontotoc, Pottawatomie, Pushmataha, Seminole, Sequoyah, Stephens	HEATING	$ _____
	COOKING	$ _____
	OTHER ELECTRIC	$ _____
	WATER HEATING	$ _____
	WATER	$ _____
	SEWER	$ _____
	TRASH COLLECTION	$ _____
	RANGE	$ _____
	REFRIGERATOR	$ _____
	OTHER (Specify)	$ _____
	TOTAL	$ _____

OHFA-69 4/14/15

U.S. DEPARTMENT OF HUD SECTION 8 – EXISTING AND MODERATE REHABILITATION HOUSING ALLOWANCES FOR TENANT – FURNISHED UTILITIES AND OTHER SERVICES

Date: October 1, 2015 **3200 Degree Days**

UNIT TYPE: SINGLE FAMILY (DETACHED, DUPLEX, ROW HOUSE, TOWNHOUSE)

UTILITY OR SERVICE		MONTHLY DOLLAR ALLOWANCES					
		0 BR	1 BR	2 BR	3 BR	4 BR	5BR
HEATING:	a. Natural Gas	36.00	43.00	52.00	58.00	67.00	76.00
	b. Bottle Gas	49.00	63.00	84.00	98.00	119.00	140.00
	c. Oil	-0-	-0-	-0-	-0-	-0-	-0-
	d. Electric	13.00	17.00	22.00	28.00	33.00	39.00
COOKING:	a. Natural Gas	7.00	8.00	10.00	12.00	13.00	14.00
	b. Electric	4.00	5.00	7.00	9.00	12.00	13.00
	c. Bottle Gas	15.00	18.00	22.00	26.00	28.00	33.00
ELECTRIC LIGHTING, REFRIGERATION, ETC.		26.00	27.00	30.00	32.00	33.00	34.00
AIR CONDITIONING		8.00	9.00	11.00	13.00	15.00	17.00
WATER HEATING:	a. Natural Gas	11.00	14.00	17.00	20.00	23.00	26.00
	b. Electric	11.00	14.00	18.00	21.00	25.00	29.00
	c. Bottle Gas	24.00	33.00	39.00	46.00	53.00	59.00
	d. Oil	-0-	-0-	-0-	-0-	-0-	-0-
WATER		27.00	32.00	36.00	40.00	46.00	51.00
SEWER		15.00	21.00	27.00	33.00	42.00	49.00
TRASH		20.00	20.00	20.00	20.00	20.00	20.00
RANGE		2.00	2.00	2.00	2.00	2.00	2.00
REFRIGERATOR		3.00	3.00	3.00	3.00	3.00	3.00
OTHER							

ACTUAL FAMILY ALLOWANCES (To be used by family to compute allowance. Complete below for Actual Unit Rented)

APPLICABLE COUNTIES:	Utility or Service	Per Month
Atoka, Coal, Comanche, Cotton, Garvin, Grady, Greer, Harmon, Haskell, Hughes, Jackson, Johnston, Latimer, LeFlore, Okfuskee, Okmulgee, Pittsburg, Pontotoc, Pottawatomie, Pushmataha, Seminole, Sequoyah, Stephens	HEATING	$ _____
	COOKING	$ _____
	OTHER ELECTRIC	$ _____
	WATER HEATING	$ _____
	WATER	$ _____
	SEWER	$ _____
	TRASH COLLECTION	$ _____
	RANGE	$ _____
	REFRIGERATOR	$ _____
	OTHER (Specify)	$ _____
	TOTAL	$ _____

OHFA-69 4/14/15

U.S. DEPARTMENT OF HUD SECTION 8 – EXISTING AND MODERATE REHABILITATION HOUSING ALLOWANCES FOR TENANT – FURNISHED UTILITIES AND OTHER SERVICES

Date: October 1, 2015 **3600 Degree Days**

UNIT TYPE: MULTIFAMILY (LOW RISE APARTMENTS, HIGH RISE APARTMENTS)

UTILITY OR SERVICE		MONTHLY DOLLAR ALLOWANCES					
		0 BR	1 BR	2 BR	3 BR	4 BR	5BR
HEATING:	a. Natural Gas	33.00	39.00	48.00	54.00	63.00	71.00
	b. Bottle Gas	47.00	60.00	81.00	94.00	114.00	134.00
	c. Oil	-0-	-0-	-0-	-0-	-0-	-0-
	d. Electric	12.00	16.00	21.00	26.00	31.00	37.00
COOKING:	a. Natural Gas	7.00	8.00	10.00	12.00	13.00	14.00
	b. Electric	4.00	5.00	7.00	9.00	12.00	13.00
	c. Bottle Gas	15.00	18.00	22.00	26.00	28.00	33.00
ELECTRIC LIGHTING, REFRIGERATION, ETC.		26.00	27.00	30.00	32.00	33.00	34.00
AIR CONDITIONING		8.00	9.00	10.00	12.00	14.00	16.00
WATER HEATING:	a. Natural Gas	11.00	14.00	17.00	20.00	23.00	26.00
	b. Electric	11.00	14.00	18.00	21.00	25.00	29.00
	c. Bottle Gas	24.00	33.00	39.00	46.00	53.00	59.00
	d. Oil	-0-	-0-	-0-	-0-	-0-	-0-
WATER		27.00	32.00	36.00	40.00	46.00	51.00
SEWER		15.00	21.00	27.00	33.00	42.00	49.00
TRASH		20.00	20.00	20.00	20.00	20.00	20.00
RANGE		2.00	2.00	2.00	2.00	2.00	2.00
REFRIGERATOR		3.00	3.00	3.00	3.00	3.00	3.00
OTHER							

ACTUAL FAMILY ALLOWANCES (To be used by family to compute allowance. Complete below for Actual Unit Rented)

APPLICABLE COUNTIES:	Utility or Service	Per Month
Adair, Beckham, Blaine, Caddo, Canadian, Cleveland, Creek, Custer, Garfield, Kingfisher, Kiowa, Lincoln, Logan, McClain, McIntosh, Noble, Oklahoma, Pawnee, Tillman, Tulsa, Wagoner, Washita	HEATING	$ _____
	COOKING	$ _____
	OTHER ELECTRIC	$ _____
	WATER HEATING	$ _____
	WATER	$ _____
	SEWER	$ _____
	TRASH COLLECTION	$ _____
	RANGE	$ _____
	REFRIGERATOR	$ _____
	OTHER (Specify)	$ _____
	TOTAL	$ _____

OHFA-69 4/14/15

U.S. DEPARTMENT OF HUD SECTION 8 – EXISTING AND MODERATE REHABILITATION HOUSING ALLOWANCES FOR TENANT – FURNISHED UTILITIES AND OTHER SERVICES

Date: October 1, 2015 **3600 Degree Days**

UNIT TYPE: MOBILE HOME

UTILITY OR SERVICE		MONTHLY DOLLAR ALLOWANCES					
		0 BR	1 BR	2 BR	3 BR	4 BR	5BR
HEATING:	a. Natural Gas	45.00	53.00	64.00	72.00	85.00	97.00
	b. Bottle Gas	63.00	82.00	109.00	127.00	154.00	182.00
	c. Oil	-0-	-0-	-0-	-0-	-0-	-0-
	d. Electric	16.00	22.00	29.00	36.00	43.00	49.00
COOKING:	a. Natural Gas	7.00	8.00	10.00	12.00	13.00	14.00
	b. Electric	4.00	5.00	7.00	9.00	12.00	13.00
	c. Bottle Gas	15.00	18.00	22.00	26.00	28.00	33.00
ELECTRIC LIGHTING, REFRIGERATION, ETC.		26.00	27.00	30.00	32.00	33.00	34.00
AIR CONDITIONING		10.00	12.00	14.00	16.00	20.00	22.00
WATER HEATING:	a. Natural Gas	11.00	14.00	17.00	20.00	23.00	26.00
	b. Electric	11.00	14.00	18.00	21.00	25.00	29.00
	c. Bottle Gas	24.00	33.00	39.00	46.00	53.00	59.00
	d. Oil	-0-	-0-	-0-	-0-	-0-	-0-
WATER		27.00	32.00	36.00	40.00	46.00	51.00
SEWER		15.00	21.00	27.00	33.00	42.00	49.00
TRASH		20.00	20.00	20.00	20.00	20.00	20.00
RANGE		2.00	2.00	2.00	2.00	2.00	2.00
REFRIGERATOR		3.00	3.00	3.00	3.00	3.00	3.00
OTHER							

ACTUAL FAMILY ALLOWANCES (To be used by family to compute allowance. Complete below for Actual Unit Rented)

APPLICABLE COUNTIES:	Utility or Service	Per Month
Adair, Beckham, Blaine, Caddo, Canadian, Cleveland, Creek, Custer, Garfield, Kingfisher, Kiowa, Lincoln, Logan, McClain, McIntosh, Noble, Oklahoma, Pawnee, Tillman, Tulsa, Wagoner, Washita	HEATING	$ _____
	COOKING	$ _____
	OTHER ELECTRIC	$ _____
	WATER HEATING	$ _____
	WATER	$ _____
	SEWER	$ _____
	TRASH COLLECTION	$ _____
	RANGE	$ _____
	REFRIGERATOR	$ _____
	OTHER (Specify)	$ _____
	TOTAL	$ _____

OHFA-69 4/14/15

U.S. DEPARTMENT OF HUD SECTION 8 – EXISTING AND MODERATE REHABILITATION HOUSING ALLOWANCES FOR TENANT – FURNISHED UTILITIES AND OTHER SERVICES

Date: October 1, 2015 **3600 Degree Days**

UNIT TYPE: SINGLE FAMILY (DETACHED, DUPLEX, ROW HOUSE, TOWNHOUSE)

UTILITY OR SERVICE		MONTHLY DOLLAR ALLOWANCES					
		0 BR	1 BR	2 BR	3 BR	4 BR	5BR
HEATING:	a. Natural Gas	39.00	46.00	56.00	63.00	74.00	84.00
	b. Bottle Gas	55.00	71.00	95.00	110.00	134.00	158.00
	c. Oil	-0-	-0-	-0-	-0-	-0-	-0-
	d. Electric	14.00	19.00	25.00	31.00	37.00	43.00
COOKING:	a. Natural Gas	7.00	8.00	10.00	12.00	13.00	14.00
	b. Electric	4.00	5.00	7.00	9.00	12.00	13.00
	c. Bottle Gas	15.00	18.00	22.00	26.00	28.00	33.00
ELECTRIC LIGHTING, REFRIGERATION, ETC.		26.00	27.00	30.00	32.00	33.00	34.00
AIR CONDITIONING		9.00	10.00	12.00	14.00	17.00	19.00
WATER HEATING:	a. Natural Gas	11.00	14.00	17.00	20.00	23.00	26.00
	b. Electric	11.00	14.00	18.00	21.00	25.00	29.00
	c. Bottle Gas	24.00	33.00	39.00	46.00	53.00	59.00
	d. Oil	-0-	-0-	-0-	-0-	-0-	-0-
WATER		27.00	32.00	36.00	40.00	46.00	51.00
SEWER		15.00	21.00	27.00	33.00	42.00	49.00
TRASH		20.00	20.00	20.00	20.00	20.00	20.00
RANGE		2.00	2.00	2.00	2.00	2.00	2.00
REFRIGERATOR		3.00	3.00	3.00	3.00	3.00	3.00
OTHER							

ACTUAL FAMILY ALLOWANCES (To be used by family to compute allowance. Complete below for Actual Unit Rented)

APPLICABLE COUNTIES:	Utility or Service	Per Month
Adair, Beckham, Blaine, Caddo, Canadian, Cleveland, Creek, Custer, Garfield, Kingfisher, Kiowa, Lincoln, Logan, McClain, McIntosh, Noble, Oklahoma, Pawnee, Tillman, Tulsa, Wagoner, Washita	HEATING	$ _____
	COOKING	$ _____
	OTHER ELECTRIC	$ _____
	WATER HEATING	$ _____
	WATER	$ _____
	SEWER	$ _____
	TRASH COLLECTION	$ _____
	RANGE	$ _____
	REFRIGERATOR	$ _____
	OTHER (Specify)	$ _____
	TOTAL	$ _____

OHFA-69 4/14/15

U.S. DEPARTMENT OF HUD SECTION 8 – EXISTING AND MODERATE REHABILITATION HOUSING ALLOWANCES FOR TENANT – FURNISHED UTILITIES AND OTHER SERVICES

Date: October 1, 2015 **4000 Degree Days**

UNIT TYPE: MULTIFAMILY (LOW RISE APARTMENTS, HIGH RISE APARTMENTS)

UTILITY OR SERVICE		MONTHLY DOLLAR ALLOWANCES					
		0 BR	1 BR	2 BR	3 BR	4 BR	5BR
HEATING:	a. Natural Gas	36.00	42.00	52.00	59.00	68.00	78.00
	b. Bottle Gas	52.00	67.00	89.00	105.00	127.00	149.00
	c. Oil	-0-	-0-	-0-	-0-	-0-	-0-
	d. Electric	14.00	18.00	24.00	29.00	35.00	41.00
COOKING:	a. Natural Gas	7.00	8.00	10.00	12.00	13.00	14.00
	b. Electric	4.00	5.00	7.00	9.00	12.00	13.00
	c. Bottle Gas	15.00	18.00	22.00	26.00	28.00	33.00
ELECTRIC LIGHTING, REFRIGERATION, ETC.		26.00	27.00	30.00	32.00	33.00	34.00
AIR CONDITIONING		9.00	9.00	12.00	14.00	15.00	18.00
WATER HEATING:	a. Natural Gas	11.00	14.00	17.00	20.00	23.00	26.00
	b. Electric	11.00	14.00	18.00	21.00	25.00	29.00
	c. Bottle Gas	24.00	33.00	39.00	46.00	53.00	59.00
	d. Oil	-0-	-0-	-0-	-0-	-0-	-0-
WATER		27.00	32.00	36.00	40.00	46.00	51.00
SEWER		15.00	21.00	27.00	33.00	42.00	49.00
TRASH		20.00	20.00	20.00	20.00	20.00	20.00
RANGE		2.00	2.00	2.00	2.00	2.00	2.00
REFRIGERATOR		3.00	3.00	3.00	3.00	3.00	3.00
OTHER							

ACTUAL FAMILY ALLOWANCES (To be used by family to compute allowance. Complete below for Actual Unit Rented)

APPLICABLE COUNTIES:	Utility or Service	Per Month
Alfalfa, Craig, Delaware, Dewey, Grant, Harper, Kay, Major, Mayes, Nowata, Osage, Ottawa, Payne, Roger Mills, Rogers, Washington, Woods, Woodward	HEATING	$ _____
	COOKING	$ _____
	OTHER ELECTRIC	$ _____
	WATER HEATING	$ _____
	WATER	$ _____
	SEWER	$ _____
	TRASH COLLECTION	$ _____
	RANGE	$ _____
	REFRIGERATOR	$ _____
	OTHER (Specify)	$ _____
	TOTAL	$ _____

OHFA-69 4/14/15

U.S. DEPARTMENT OF HUD SECTION 8 – EXISTING AND MODERATE REHABILITATION HOUSING ALLOWANCES FOR TENANT – FURNISHED UTILITIES AND OTHER SERVICES

Date: October 1, 2015 **4000 Degree Days**

UNIT TYPE: MOBILE HOME

UTILITY OR SERVICE		MONTHLY DOLLAR ALLOWANCES					
		0 BR	1 BR	2 BR	3 BR	4 BR	5BR
HEATING:	a. Natural Gas	48.00	56.00	70.00	79.00	92.00	106.00
	b. Bottle Gas	70.00	91.00	121.00	141.00	171.00	201.00
	c. Oil	-0-	-0-	-0-	-0-	-0-	-0-
	d. Electric	18.00	24.00	32.00	39.00	47.00	55.00
COOKING:	a. Natural Gas	7.00	8.00	10.00	12.00	13.00	14.00
	b. Electric	4.00	5.00	7.00	9.00	12.00	13.00
	c. Bottle Gas	15.00	18.00	22.00	26.00	28.00	33.00
ELECTRIC LIGHTING, REFRIGERATION, ETC.		26.00	27.00	30.00	32.00	33.00	34.00
AIR CONDITIONING		12.00	13.00	16.00	18.00	21.00	24.00
WATER HEATING:	a. Natural Gas	11.00	14.00	17.00	20.00	23.00	26.00
	b. Electric	11.00	14.00	18.00	21.00	25.00	29.00
	c. Bottle Gas	24.00	33.00	39.00	46.00	53.00	59.00
	d. Oil	-0-	-0-	-0-	-0-	-0-	-0-
WATER		27.00	32.00	36.00	40.00	46.00	51.00
SEWER		15.00	21.00	27.00	33.00	42.00	49.00
TRASH		20.00	20.00	20.00	20.00	20.00	20.00
RANGE		2.00	2.00	2.00	2.00	2.00	2.00
REFRIGERATOR		3.00	3.00	3.00	3.00	3.00	3.00
OTHER							

ACTUAL FAMILY ALLOWANCES (To be used by family to compute allowance. Complete below for Actual Unit Rented)

APPLICABLE COUNTIES:	Utility or Service	Per Month
Alfalfa, Craig, Delaware, Dewey, Grant, Harper, Kay, Major, Mayes, Nowata, Osage, Ottawa, Payne, Roger Mills, Rogers, Washington, Woods, Woodward	HEATING	$ _____
	COOKING	$ _____
	OTHER ELECTRIC	$ _____
	WATER HEATING	$ _____
	WATER	$ _____
	SEWER	$ _____
	TRASH COLLECTION	$ _____
	RANGE	$ _____
	REFRIGERATOR	$ _____
	OTHER (Specify)	$ _____
	TOTAL	$ _____

OHFA-69 4/14/15

U.S. DEPARTMENT OF HUD SECTION 8 – EXISTING AND MODERATE REHABILITATION HOUSING ALLOWANCES FOR TENANT – FURNISHED UTILITIES AND OTHER SERVICES

Date: October 1, 2015 **4000 Degree Days**

UNIT TYPE: SINGLE FAMILY (DETACHED, DUPLEX, ROW HOUSE, TOWNHOUSE)

UTILITY OR SERVICE		MONTHLY DOLLAR ALLOWANCES					
		0 BR	1 BR	2 BR	3 BR	4 BR	5BR
HEATING:	a. Natural Gas	42.00	49.00	61.00	69.00	80.00	92.00
	b. Bottle Gas	61.00	79.00	105.00	123.00	149.00	175.00
	c. Oil	-0-	-0-	-0-	-0-	-0-	-0-
	d. Electric	16.00	21.00	28.00	34.00	41.00	48.00
COOKING:	a. Natural Gas	7.00	8.00	10.00	12.00	13.00	14.00
	b. Electric	4.00	5.00	7.00	9.00	12.00	13.00
	c. Bottle Gas	15.00	18.00	22.00	26.00	28.00	33.00
ELECTRIC LIGHTING, REFRIGERATION, ETC.		26.00	27.00	30.00	32.00	33.00	34.00
AIR CONDITIONING		10.00	11.00	14.00	16.00	18.00	21.00
WATER HEATING:	a. Natural Gas	11.00	14.00	17.00	20.00	23.00	26.00
	b. Electric	11.00	14.00	18.00	21.00	25.00	29.00
	c. Bottle Gas	24.00	33.00	39.00	46.00	53.00	59.00
	d. Oil	-0-	-0-	-0-	-0-	-0-	-0-
WATER		27.00	32.00	36.00	40.00	46.00	51.00
SEWER		15.00	21.00	27.00	33.00	42.00	49.00
TRASH		20.00	20.00	20.00	20.00	20.00	20.00
RANGE		2.00	2.00	2.00	2.00	2.00	2.00
REFRIGERATOR		3.00	3.00	3.00	3.00	3.00	3.00
OTHER							

ACTUAL FAMILY ALLOWANCES (To be used by family to compute allowance. Complete below for Actual Unit Rented)

APPLICABLE COUNTIES:	Utility or Service	Per Month
Alfalfa, Craig, Delaware, Dewey, Grant, Harper, Kay, Major, Mayes, Nowata, Osage, Ottawa, Payne, Roger Mills, Rogers, Washington, Woods, Woodward	HEATING	$ _____
	COOKING	$ _____
	OTHER ELECTRIC	$ _____
	WATER HEATING	$ _____
	WATER	$ _____
	SEWER	$ _____
	TRASH COLLECTION	$ _____
	RANGE	$ _____
	REFRIGERATOR	$ _____
	OTHER (Specify)	$ _____
	TOTAL	$ _____

OHFA-69 4/14/15

U.S. DEPARTMENT OF HUD SECTION 8 – EXISTING AND MODERATE REHABILITATION HOUSING ALLOWANCES FOR TENANT – FURNISHED UTILITIES AND OTHER SERVICES

Date: October 1, 2015 **4500 Degree Days**

UNIT TYPE: MULTIFAMILY (LOW RISE APARTMENTS, HIGH RISE APARTMENTS)

UTILITY OR SERVICE		MONTHLY DOLLAR ALLOWANCES					
		0 BR	1 BR	2 BR	3 BR	4 BR	5BR
HEATING:	a. Natural Gas	38.00	46.00	57.00	65.00	76.00	87.00
	b. Bottle Gas	59.00	76.00	100.00	117.00	142.00	167.00
	c. Oil	-0-	-0-	-0-	-0-	-0-	-0-
	d. Electric	15.00	20.00	26.00	33.00	39.00	46.00
COOKING:	a. Natural Gas	7.00	8.00	10.00	12.00	13.00	14.00
	b. Electric	4.00	5.00	7.00	9.00	12.00	13.00
	c. Bottle Gas	15.00	18.00	22.00	26.00	28.00	33.00
ELECTRIC LIGHTING, REFRIGERATION, ETC.		26.00	27.00	30.00	32.00	33.00	34.00
AIR CONDITIONING		9.00	11.00	13.00	15.00	18.00	20.00
WATER HEATING:	a. Natural Gas	11.00	14.00	17.00	20.00	23.00	26.00
	b. Electric	11.00	14.00	18.00	21.00	25.00	29.00
	c. Bottle Gas	24.00	33.00	39.00	46.00	53.00	59.00
	d. Oil	-0-	-0-	-0-	-0-	-0-	-0-
WATER		27.00	32.00	36.00	40.00	46.00	51.00
SEWER		15.00	21.00	27.00	33.00	42.00	49.00
TRASH		20.00	20.00	20.00	20.00	20.00	20.00
RANGE		2.00	2.00	2.00	2.00	2.00	2.00
REFRIGERATOR		3.00	3.00	3.00	3.00	3.00	3.00
OTHER							

ACTUAL FAMILY ALLOWANCES (To be used by family to compute allowance. Complete below for Actual Unit Rented)

APPLICABLE COUNTIES:	Utility or Service	Per Month
Beaver, Cimarron, Ellis, Texas	HEATING	$ _____
	COOKING	$ _____
	OTHER ELECTRIC	$ _____
	WATER HEATING	$ _____
	WATER	$ _____
	SEWER	$ _____
	TRASH COLLECTION	$ _____
	RANGE	$ _____
	REFRIGERATOR	$ _____
	OTHER (Specify)	$ _____
	TOTAL	$ _____

OHFA-69 4/14/15

U.S. DEPARTMENT OF HUD SECTION 8 – EXISTING AND MODERATE REHABILITATION HOUSING ALLOWANCES FOR TENANT – FURNISHED UTILITIES AND OTHER SERVICES

Date: October 1, 2015 **4500 Degree Days**

UNIT TYPE: MOBILE HOME

UTILITY OR SERVICE		MONTHLY DOLLAR ALLOWANCES					
		0 BR	1 BR	2 BR	3 BR	4 BR	5BR
HEATING:	a. Natural Gas	52.00	62.00	77.00	87.00	102.00	117.00
	b. Bottle Gas	79.00	102.00	136.00	159.00	192.00	227.00
	c. Oil	-0-	-0-	-0-	-0-	-0-	-0-
	d. Electric	21.00	26.00	36.00	45.00	53.00	62.00
COOKING:	a. Natural Gas	7.00	8.00	10.00	12.00	13.00	14.00
	b. Electric	4.00	5.00	7.00	9.00	12.00	13.00
	c. Bottle Gas	15.00	18.00	22.00	26.00	28.00	33.00
ELECTRIC LIGHTING, REFRIGERATION, ETC.		26.00	27.00	30.00	32.00	33.00	34.00
AIR CONDITIONING		13.00	15.00	17.00	21.00	24.00	26.00
WATER HEATING:	a. Natural Gas	11.00	14.00	17.00	20.00	23.00	26.00
	b. Electric	11.00	14.00	18.00	21.00	25.00	29.00
	c. Bottle Gas	24.00	33.00	39.00	46.00	53.00	59.00
	d. Oil	-0-	-0-	-0-	-0-	-0-	-0-
WATER		27.00	32.00	36.00	40.00	46.00	51.00
SEWER		15.00	21.00	27.00	33.00	42.00	49.00
TRASH		20.00	20.00	20.00	20.00	20.00	20.00
RANGE		2.00	2.00	2.00	2.00	2.00	2.00
REFRIGERATOR		3.00	3.00	3.00	3.00	3.00	3.00
OTHER							

ACTUAL FAMILY ALLOWANCES (To be used by family to compute allowance. Complete below for Actual Unit Rented)

APPLICABLE COUNTIES:	Utility or Service	Per Month
Beaver, Cimarron, Ellis, Texas	HEATING	$ _____
	COOKING	$ _____
	OTHER ELECTRIC	$ _____
	WATER HEATING	$ _____
	WATER	$ _____
	SEWER	$ _____
	TRASH COLLECTION	$ _____
	RANGE	$ _____
	REFRIGERATOR	$ _____
	OTHER (Specify)	$ _____
	TOTAL	$ _____

OHFA-69 4/14/15

U.S. DEPARTMENT OF HUD SECTION 8 – EXISTING AND MODERATE REHABILITATION HOUSING ALLOWANCES FOR TENANT – FURNISHED UTILITIES AND OTHER SERVICES

Date: October 1, 2015 **4500 Degree Days**

UNIT TYPE: SINGLE FAMILY (DETACHED, DUPLEX, ROW HOUSE, TOWNHOUSE)

UTILITY OR SERVICE		MONTHLY DOLLAR ALLOWANCES					
		0 BR	1 BR	2 BR	3 BR	4 BR	5BR
HEATING:	a. Natural Gas	45.00	54.00	67.00	76.00	89.00	102.00
	b. Bottle Gas	69.00	89.00	118.00	138.00	167.00	197.00
	c. Oil	-0-	-0-	-0-	-0-	-0-	-0-
	d. Electric	18.00	23.00	31.00	39.00	46.00	54.00
COOKING:	a. Natural Gas	7.00	8.00	10.00	12.00	13.00	14.00
	b. Electric	4.00	5.00	7.00	9.00	12.00	13.00
	c. Bottle Gas	15.00	18.00	22.00	26.00	28.00	33.00
ELECTRIC LIGHTING, REFRIGERATION, ETC.		26.00	27.00	30.00	32.00	33.00	34.00
AIR CONDITIONING		11.00	13.00	15.00	18.00	21.00	23.00
WATER HEATING:	a. Natural Gas	11.00	14.00	17.00	20.00	23.00	26.00
	b. Electric	11.00	14.00	18.00	21.00	25.00	29.00
	c. Bottle Gas	24.00	33.00	39.00	46.00	53.00	59.00
	d. Oil	-0-	-0-	-0-	-0-	-0-	-0-
WATER		27.00	32.00	36.00	40.00	46.00	51.00
SEWER		15.00	21.00	27.00	33.00	42.00	49.00
TRASH		20.00	20.00	20.00	20.00	20.00	20.00
RANGE		2.00	2.00	2.00	2.00	2.00	2.00
REFRIGERATOR		3.00	3.00	3.00	3.00	3.00	3.00
OTHER							

ACTUAL FAMILY ALLOWANCES (To be used by family to compute allowance. Complete below for Actual Unit Rented)

APPLICABLE COUNTIES:	Utility or Service	Per Month
Beaver, Cimarron, Ellis, Texas	HEATING	$ _____
	COOKING	$ _____
	OTHER ELECTRIC	$ _____
	WATER HEATING	$ _____
	WATER	$ _____
	SEWER	$ _____
	TRASH COLLECTION	$ _____
	RANGE	$ _____
	REFRIGERATOR	$ _____
	OTHER (Specify)	$ _____
	TOTAL	$ _____

OHFA-69 4/14/15

TENANT RELEASE AND CONSENT

I/We _____, the undersigned hereby authorize all persons or companies in the categories listed below to release without liability, information regarding employment, income, and/or assets to, for purposes of verifying information on my/our apartment rental (owner or agent) application.

INFORMATION COVERED

I/We understand that previous or current information regarding me/us may be needed. Verifications and inquiries that may be requested include, but are not limited to: personal identity; employment, income, and assets; medical or child care allowances. I/We understand that this authorization cannot be used to obtain any information about me/us that is not pertinent to my eligibility for and continued participation as a Qualified Tenant.

GROUPS OR INDIVIDUALS THAT MAY BE ASKED

The groups or individuals that may be asked to release the above information include, but are not limited to:

Past and Present Employers
Previous Landlords (including Public Housing Agencies)
Support and Alimony Providers
Welfare Agencies
State Unemployment Agencies
Social Security Administration
Medical and Child Care Providers
Veterans Administration
Retirement Systems
Banks and other Financial Institutions

CONDITIONS

I/We agree that a photocopy of this authorization may be used for the purposes stated above. The original of this authorization is on file and will stay in effect for a year and one month from the date signed. I/We understand I/we have a right to review this file and correct any information that is incorrect.

SIGNATURES

_____	_____	_____
Applicant/Resident	(Print Name)	Date
_____	_____	_____
Co-Applicant/Resident	(Print Name)	Date
_____	_____	_____
Adult Member	(Print Name)	Date
_____	_____	_____
Adult Member	(Print Name)	Date

NOTE: THIS GENERAL CONSENT MAY NOT BE USED TO REQUEST A COPY OF A TAX RETURN. I A COPY OF A TAX RETURN IS NEEDED, IRS FORM 4506, “REQUEST FOR COPY OF TAX FORM” MUST BE PREPARED AND SIGNED SEPARATELY.

UNDER $5,000 ASSET CERTIFICATION

For households whose combined net assets do not exceed $5,000.
Complete only one form per household; include assets of children.

Household Name:_____ Unit No. _____

Development Name: _____ City:_____

Complete all that apply for 1 through 4:

1. My/our assets include:

(A) Cash Value*	(B) Int. Rate	(A*B) Annual Income	Source	(A) Cash Value*	(B) Int. Rate	(A*B) Annual Income	Source
$		$	Savings Account	$		$	Checking Account
$		$	Cash on Hand	$		$	Safety Deposit Box
$		$	Certificates of Deposit	$		$	Money market funds
$		$	Stocks	$		$	Bonds
$		$	IRA Accounts	$		$	401K Accounts
$		$	Keogh Accounts	$		$	Trust Funds
$		$	Equity in real estate	$		$	Land Contracts
$		$	Lump Sum Receipts	$		$	Capital investments
$			Pre-Paid Debit Cards				
$		$	Life Insurance Policies (excluding Term)				
$		$	Other Retirement/Pension Funds not named above: _____				
$		$	Personal property held as an investment** : _____				
$		$	Other (list): _____				

PLEASE NOTE: Certain funds (e.g., Retirement, Pension, Trust) may or may not be (fully) accessible to you. Include only those amounts which are.

*Cash value is defined as market value minus the cost of converting the asset to cash, such as broker's fees, settlement costs, outstanding loans, early withdrawal penalties, etc.

**Personal property held as an investment may include, but is not limited to, gem or coin collections, art, antique cars, etc. Do not include necessary personal property such as, but not necessarily limited to, household furniture, daily-use autos, clothing, assets of an active business, or special equipment for use by the disabled.

2. ☐ Within the past two (2) years, I/we have sold or given away assets (including cash, real estate, etc.) for more than $1,000 below their fair market value (FMV). Those amounts* are included above and are equal to a total of: $_____ (*the difference between FMV and the amount received, for each asset on which this occurred).

3. ☐ I/we have not sold or given away assets (including cash, real estate, etc.) for less than fair market value during the past two (2) years.

4. ☐ I/we do not have any assets at this time.

The net family assets (as defined in 24 CFR 813.102) above do not exceed $5,000 and the annual income from the net family assets is $_____. This amount is included in total gross annual income.

Under penalty of perjury, I/we certify that the information presented in this certification is true and accurate to the best of my/our knowledge. The undersigned further understand(s) that providing false representations herein constitutes an act of fraud. False, misleading or incomplete information may result in the termination of a lease agreement.

_____	_____	_____	_____
Applicant/Tenant	Date	Applicant/Tenant	Date

STUDENT VERIFICATION

THIS SECTION TO BE COMPLETED BY MANAGEMENT AND EXECUTED BY STUDENT

This Student Verification is being delivered in connection with the undersigned's eligibility for residency in the following apartment:

Project Name: _____

Building Address: _____

Unit Number if assigned: _____

I hereby grant disclosure of the information requested below by _____
Name of Educational Institution

_____ Signature

_____ Date

_____ Printed Name

_____ Student ID#

Return Form to:

THIS SECTION TO BE COMPLETED BY EDUCATIONAL INSTITUTION

The above-named individual has applied for residency or is currently residing in housing that requires verification of student status. Please provide the information requested below:

Is the above-named individual a student at this educational institution? YES NO

If so, part-time or full-time? PART-TIME FULL-TIME

If full-time, the date the student enrolled as such: _____

Expected date of graduation: _____

I hereby certify that the information supplied in this section is true and complete to the best of my knowledge.

Signature: _____ Date: _____

Print your name: _____ Tel. #: _____

Title: _____

Educational Institution: _____

Section 1001 of Title 18 of the U. S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to any matter within its jurisdiction.

STUDENT FINANCIAL AID VERIFICATION

THIS SECTION TO BE COMPLETED BY MANAGEMENT AND EXECUTED BY TENANT

TO: _____ _____
Name & Address of Financial Aid Provider — Unit # (if assigned)

_____

_____

RE: _____ _____
Applicant/Tenant Name — Social Security Number

I hereby authorize release of my financial aid information.

_____ _____
Signature of Applicant/Tenant — Date

The individual named directly above is an applicant/tenant of a housing program that requires verification of income. The information provided will remain confidential and will be used solely for the purpose of determining eligibility for occupancy. Your prompt response is crucial and greatly appreciated.

_____
Project Owner/Management Agent

Return Form To:

THIS SECTION TO BE COMPLETED BY FINANCIAL AID PROVIDER AND/OR EDUCATIONAL INSTITUTION

The above-named individual has applied for residency or is currently residing in housing that requires verification of student status. Please provide the information requested below:

Student Currently attends school: ***(please circle one)*** **Full Time** **Part Time**

Total scholarships, grants, etc. *(public or private, excluding student loans)* received is:

	Source	**Amount**	**Beginning Date**	**Ending Date**
Scholarships		$		
Grants		$		
Cost of Tuition		$		

Expected Date of Graduation: _____

I hereby certify that the information supplied in this section is true and complete to the best of my knowledge.

Signature: _____ Date: _____

Printed Name: _____ Tel. #: _____

Title: _____ Fax #: _____

Educational Institution: _____ E-mail: _____

NOTE: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to any matter within its jurisdiction.

LIHTC CERTIFICATION OF STUDENT ELIGIBILITY

Unit #:_____

If all members of the household are full-time students, then the owner/manager must complete this form and obtain verification to document the household's eligibility under LIHTC regulations.

Statement of Applicant/Resident:

In the household to occupy this unit {Check the true statement(s)}:

ق A. At least one member of the household receives assistance under title IV of the Social Security Act (for example, payments under AFDC).

ق B. At least one member of the household is currently enrolled in a job training program that receives assistance under the Job Training Partnership Act (JPTA) or is funded by a state or local public agency.

ق C. At least one member of the household previously received foster care assistance.

ق D. The household consists of single parent(s) with child(ren) and neither the parent(s) nor the child(ren) is the dependent of another individual.

ق E. The members of the household are eligible to file a joint tax return.

ق F. At least one member of the household was previously under the care and placement of a foster care program under Title IV of the Social Security Act

ق G. None of the 5 exceptions listed above are applicable.

I/We hereby certify that the statement above is true and complete to the best of my knowledge.

Applicant / Resident Signature Date	Applicant / Resident Signature Date
Printed Name	Printed Name

TO BE COMPLETED BY PROPERTY OWNER OR MANAGER:

ق The unit may be eligible, if all other Tax Credit eligibility requirements are met (Item A, B, C, D or E applies).

ق The unit is not eligible (Item F applies).

I have verified and possess documentation supporting the applicant/residents statement. Nothing has come to my attention that would cause me to believe that this information is inaccurate.

(Signature of Owner or Authorized Representative)	(Date)
(Printed Name)	(Printed Title)

WARNING: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to willfully falsify a material fact or make a false statement in any matter within the jurisdiction of a federal agency.

Documentation of Telephone Verification

Applicant/Resident: _____ Unit #:_____

1. Oral (telephone) verifications may be used when other methods are not feasible. Describe the reasons(s) that third-party written or first hand verifications are not feasible in this instance:

   _____

   _____

2. In lieu of third-party written or first hand verification, on _____, at
   (Date) (Time)

   I spoke with _____, _____, at _____.
   (Contact Person) (Title) (Name of Employer)

3. Gross Pay Before Deductions (select one):
   ☐ Hourly $_____ x _____ ☐ Monthly $_____

   ☐ Weekly $_____ ☐ Bi-Weekly $_____

4. Is the employee compensated for overtime? ☐ Yes ☐ No
   Average OT hours worked per week/month/year: _____ Rate: $_____/hour
   (Circle one)

5. Does the employee receive other compensation? ☐ Yes ☐ No
   ☐ bonus $_____ per week/month/year ☐ tips $_____ per week/month
   (avg) (circle one) (avg) (circle one)
   ☐ commission $_____ per week/month/year ☐ other $_____ per week/month
   (avg) (circle one) (avg) (circle one)

6. Other remarks regarding employee's income:_____
   _____
   _____

_____ _____

Signature of Owner or Agent for Owner **Date**

WARNING: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to willfully falsify a material fact or make a false statement in any matter within the jurisdiction of a federal agency.

ASSET VERIFICATION

To:_____ Date:_____

_____

_____

RE:_____ SSN:_____

_____

Applicant/Resident Address City, State Zip Code

The above person(s) has applied for residency/is a resident at _____
As part of our processing we require verification of the household's income, expenses and other information related to eligibility. The individual has authorized below your release of the required information. The information you provide will be used only for the purpose of determining the household's eligibility. We are required to complete our verification process in a short time period and would appreciate your prompt response. If you have any questions, please feel free to contact our office.

_____

Applicant / Resident Signature Date

Please complete the section below and return it in the enclosed self-addressed stamped envelope. (Please mail/fax rather than have the above individual hand deliver.) Thank you in advance for your prompt attention.

Apartment Manager_____ Phone #_____

TO BE COMPLETED BY INSTITUTION:

CHECKING ACCOUNT

Account Number(s)	Average 6 Month Balance(s)	Interest Rate, If Any
_____	_____	_____
_____	_____	_____
_____	_____	_____

SAVINGS ACCOUNT

Account Number(s)	Current Account Balance	Annual Interest Rate	Withdrawal Penalty
_____	$_____	_____%	_____
_____	$_____	_____%	_____
_____	$_____	_____%	_____

CERTIFICATE OF DEPOSIT

Account Number(s)	Current Account Balance(s)	Annual Interest Rate	Withdrawal Penalty
_____	$_____	_____%	_____
_____	$_____	_____%	_____
_____	$_____	_____%	_____

TRUST

Value of Trust Fund Administered: $_____

Anticipated Amount of Income to be earned by: _____

Trust over next 12 months: $_____

PROPERTY

Value of Equity in Real Property $_____

I certify that the above information is true and correct.

_____	_____
Signature of Official	Title of Official
_____	_____
Printed Name of Official	Name of Institution (Bank)
_____	_____
Date	Address
_____	_____
Telephone Number	City, State Zip Code

WARNING: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to willfully falsify a material fact or make a false statement in any matter within the jurisdiction of a federal agency.

INCOME VERIFICATION FOR HOUSEHOLDS WITH SECTION 8 CERTIFICATES

Unit #: _____

To: Section 8 Program Administrator

Housing Authority: _____

Address: _____

City, State, Zip: _____

_____has applied for residency/is a resident of _____,
Applicant / Resident Name Property Name
a Low Income Housing Tax Credit property. In the case of a tenant receiving housing assistance payments under HUD's Section 8 Existing Housing Program, IRS regulations allow that if the PHA provides a statement to the building owner declaring that the tenant's income does not exceed the applicable limit under the LIHTC program, then the owner is not required to further verify the tenant's income.

Number of Household Members:_____ ☐ Move-In ☐ Recertification

Permission by: _____ _____
Applicant / Resident Signature Date

Under the Low Income Housing Tax Credit Program, the combined annual income of the household before any adjustments, cannot exceed $_____.
Income Limit

Please complete the section below and return this form in the enclosed self-addressed, stamped envelope. Thank you in advance for your prompt attention.

Sincerely,

_____

Apartment Manager

THE FOLLOWING TO BE COMPLETED BY THE PUBLIC HOUSING AUTHORITY:

Based on the last income certification/recertification effective on _____, the household consists of
Date
_____ members whose combined annual income **before any adjustments,** does not
# of HH Members

exceed the income limit shown above.

_____ _____ _____
Signature Date Phone #

_____ _____
Printed Name Title

The Low Income Housing Tax Credit Program is a federal low-income rental housing program governed by the Internal Revenue Service. Section 42 of Internal Revenue Code requires owners to determine the income eligibility of all tenants occupying tax credit units. (Owners should be aware that although the verifications requirements of Section 1.42-5(b)(1)(vii) may be met through the use of this form, a Tenant Income Certification (TIC) must still be completed annually.)

This form cannot be used as verification for initial certification.

Appendix F

MONETARY CONTRIBUTION VERIFICATION

Date:_____

RE: _____

Social Security Number: _____

I, _____, am receiving, on a regular basis, a monetary

contribution in the amount of $_____ from

_____, Social Security #_____

I certify that the above information is true and correct to the best of my knowledge.

_____
Signature of Recipient

_____
Printed Name of Recipient

_____
Date

WARNING: Section 1001 of Title 18 of U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to any matter within its jurisdiction.

DEPARTMENT OF HUMAN SERVICES VERIFICATION

Name and Address of DHS

_____ Date_____

_____ Re_____

_____ SSN_____

_____ Claim Number_____

The above referenced person has applied for residency/is a resident at _____.
As part of our processing, it is necessary that we obtain verification of his/her benefits.

I hereby authorize and request the following information be released to _____.

_____
Signature of Applicant / Resident

Please complete the section below and return it via mail or fax. Thank you for your prompt attention.

_____
Apartment Manager Signature

Type of Assistance: _____

Monthly Amount of Assistance: $_____

Effective Date: _____

Number of Adults: _____ Number of Children:_____

Does this recipient receive Child Support or Child Support Rebate? _____ Yes _____ No
If yes, please give amount and if Child Support is paid through Child Support Agency or paid directly to recipient.

$ _____ is being paid to Child Support Agency.

$ _____ is being paid directly to recipient.

Is this family receiving any other type of income from any other source? _____ Yes _____No
If yes, please give sources and amounts.

$ _____ is from _____.

$ _____ is from _____.

If any changes are contemplated, please explain:_____

_____ _____
Name and Title of Official Date Telephone Number

WARNING: Section 1001 of Title 18 of U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States at to any matter within its jurisdiction.

WORKER'S COMPENSATION VERIFICATION

Name and Address of Insurance Company

_____

_____

Date_____

Re:_____

SSN_____

The above referenced person has applied for residency / is a resident at _____

As part of our processing, it is necessary that we obtain verification of his/her benefits.

I hereby authorize and request the following information be released to_____

_____

Applicant / Resident Signature

Please complete the section below and return it via mail or fax. Thank you for your prompt attention.

_____

Apartment Manager Signature

Name of Insurance Company: _____

Please check appropriate items:

1. Permanent Disability ( )
   a. Monthly Benefits: $_____
   b. Lump Sum Settlement: $_____
2. Partial/Permanent Disability ( )
   a. Monthly Benefits: $_____
   b. Lump Sum Settlement: $ _____
3. Temporary Disability ( )
   a. Weekly Benefits: $_____
   b. Number of weeks for which benefit will be paid: _____
   c. Lump Sum Settlement: $_____

_____ _____

Signature of Official Date

_____ _____

Title of Official Telephone

WARNING: Section 1001 of Title 18 of U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to any matter within its jurisdiction.

SELF EMPLOYMENT VERIFICATION

Date:_____

RE: _____

Social Security Number: _____

I, _____, Apartment Manager of _____, do hereby certify that the above referenced person stated in my presence that this information is true and correct to the best of his/her knowledge.

_____ _____

Apartment Manager's Signature Date

I,_____, do hereby certify that I am self-employed as _____. Itemized herein are my approximate monthly earnings beginning _____, 19 ____.

January	$_____	May	$_____	September	$ _____
February	$_____	June	$_____	October	$_____
March	$_____	July	$_____	November	$_____
April	$_____	August	$_____	December	$_____

Monthly Average: $_____ Yearly Total: $ _____

I further certify that the above is true and correct to the best of my knowledge and belief.

NOTE: Please attach a copy of current income tax return form.

_____ _____

Signature of Applicant/Tenant Date

WARNING: Section 1001 of Title 18 of U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to any matter within its jurisdiction.

REAL ESTATE PROPERTY VERIFICATION

Name and Address of Real Estate Company

_____

_____

Date_____

Re:_____

SSN_____

The above referenced person has applied for residency / is a resident at _____

As part of our processing, it is necessary that we obtain verification of the source/amounts of income/assets of each family member.

I hereby authorize and request the following information be released to _____

_____

Applicant / Resident Signature

Please complete the section below and return it via mail or fax. Thank you for your prompt attention.

_____

Apartment Manager Signature

TO BE COMPLETED BY AUTHORIZED OFFICIAL

Description of Property:_____

Type of Property (i.e., Single Family, Detached Dwelling, Raw Land, etc.):_____

Address or Location (Street Address or Legal Description):_____

_____

Market Value: $_____

If this property is being/ will be / was sold, estimate expenses below:

Broker's Fee: $_____

Settlement Costs: $_____

Legal Fees: $_____

Other (Specify): $_____

_____ _____

Signature of Authorized Official Date

_____ _____

Print Name of Authorized Official Telephone Number

WARNING: Section 1001 of Title 18 of U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to any matter within its jurisdiction.

UNEMPLOYMENT BENEFITS VERIFICATION

Oklahoma Employment Security Commission Date_____

_____ Re:_____

_____ SSN_____

The above referenced person has applied for residency / is a resident at _____

As part of our processing, it is necessary that we obtain unemployment benefits on the above referenced person.

I hereby authorize and request the following information be released to _____

_____

Applicant / Resident Signature

Please complete the section below and return it via mail or fax. Thank you for your prompt attention.

_____

Apartment Manager Signature

TO BE COMPLETED BY AUTHORIZED OFFICIAL

Is this individual qualified to receive unemployment benefits? ☐ YES ☐ NO

Weekly Benefit Amount: $_____

Beginning Date of Benefits: _____

Ending Date of Benefits: _____

Remarks (if any): _____

_____

_____

_____ _____

Signature of Official Date

_____ _____

Title of Official Telephone Number

WARNING: Section 1001 of Title 18 of U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States at to any matter within its jurisdiction.

CHILD SUPPORT / ALIMONY VERIFICATION

Unit #_____

CHILD SUPPORT:

YES or NO 1. Is there a court order or legal agreement for child support?
(if yes, a copy must be provided)

NOTE: If the resident/applicant is divorced or legally separated with minor children, obtain a copy of the legal document. If the resident/applicant states that child support is not being received although court ordered, it is necessary that you verify through a third party source (District Attorney's office, Lawyer, Child Support Enforcement Unit) that the child support is not being received and that all legal attempts have been made to collect amounts due, otherwise the amount must be included as income.

I, _____, do hereby swear and affirm that:
I am **DIVORCED / LEGALLY SEPARATED / SEPARATED/ NEVER MARRIED *(circle one)*** ***from the parent of the following children*** and that, **I DO NOT RECEIVE / DO RECEIVE *(circle one)*** $ per month child support for the support of my children whose names are:

_____ _____

_____ _____

ALIMONY:

I, _____, do hereby swear and affirm that:
I DO NOT RECEIVE / DO RECEIVE *(circle one)* $_____per month in

Alimony payments from: _____

I understand that all statements concerning previous marriages, alimony and child support must be verified to properly process my/our application and determine eligibility. I have no objection to inquiry being made for the purpose of verification.

_____ _____
Signature of Applicant/Resident Date

_____
Printed Name of Applicant/Resident

WARNING: Section 1001 of Title 18 of U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States at to any matter within its jurisdiction.

MILITARY EMPLOYMENT VERIFICATION

Name and Address of Commander

_____

_____

Date_____

Re:_____

SSN_____

The above referenced person has applied for residency / is a resident at _____

I hereby authorize and request the following information be released to _____

_____

Applicant / Resident Signature

Please complete the section below and return it via mail or fax. Thank you for your prompt attention.

_____

Apartment Manager Signature

1. Base pay and longevity pay: _____
2. Proficiency pay: _____
3. Sea and foreign duty pay: $_____
4. Hazardous duty pay: $_____
5. Imminent danger pay: $_____
6. Subsistence allowance: $_____
7. Quarters Allowance: $_____
8. Other additional pay benefits: $_____

_____ _____

Signature of Commander or his Adjutant Date

_____ _____

Title and Grade Telephone Number

WARNING: Section 1001 of Title 18 of U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to any matter within its jurisdiction.

Revised September 2003 Appendix F

SOCIAL SECURITY VERIFICATION

Social Security Administration Date_____

_____ Re:_____

_____ SSN_____

_____ County

The above referenced person has applied for residency / is a resident at _____

As part of our processing, it is necessary that we obtain verification of his/her benefits and anticipated GROSS income.

I hereby authorize and request the following information be released to _____

_____

Applicant / Resident Signature

Please complete the section below and return it via mail or fax. Thank you for your prompt attention.

_____

Apartment Manager Signature

Name of Beneficiary: _____

Type of Benefit: SSI: _____ SSA:_____

Total of Amount of Monthly Benefit: $_____

Amount Deducted for Medical: $_____

_____ _____

Signature of Social Security Representative Date

_____ _____

Title Telephone Number

WARNING: Section 1001 of Title 18 of U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to any matter within its jurisdiction.

VETERANS ADMINISTRATION INCOME VERIFICATION

Veterans Administration Office

_____

_____

Date:_____

_____
RE: Veteran's Full Name

_____
Veteran's Social Security Number

_____
Veteran's Claim Number

_____
Relationship to Recipient

The above referenced person has applied for residency / is a resident at _____

As part of our processing, it is necessary that we obtain verification of his/her benefits and anticipated GROSS income.

I hereby authorize and request the following information be released to _____

_____
Applicant / Resident Signature

Please complete the section below and return it via mail or fax. Thank you for your prompt attention.

_____
Apartment Manager Signature

Veteran's Compensation: Disability ( ) Death ( ) Dependents ( )

Retirement ( ) Widow's Benefits ( )

Monthly Amount: $_____

Allowance for Education or Training ( )

_____
Name of Official

_____
Date

_____
Title of Official

_____
Telephone Number

WARNING: Section 1001 of Title 18 of U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to any matter within its jurisdiction.

Appendix F

RETIREMENT (PENSION) VERIFICATION

Name and Address of Company

_____

_____

Date_____

Re:_____

SSN_____

The above referenced person has applied for residency / is a resident at _____

As part of our processing, it is necessary that we obtain verification of the source/amounts of income of each family member.

I hereby authorize and request the following information be released to _____

_____

Applicant / Resident Signature

Please complete the section below and return it via mail or fax. Thank you for your prompt attention.

_____

Apartment Manager Signature

TO BE COMPLETED BY AUTHORIZED OFFICIAL

Claim Number: _____

Amount of Monthly Benefit: $_____

Company's Name and Address from who benefits are being received:_____

_____

_____

_____

_____

Signature of Official

_____

Date

_____

Title of Official

_____

Telephone Number

WARNING: Section 1001 of Title 18 of U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to any matter within its jurisdiction.

Appendix F

VERIFICATION FORMS CHECKLIST

Due Date: _____
Initial Certification: _____
Annual Certification: _____

Name(s) of Applicant/Tenant: _____
_____
_____

Address: _____
_____

Source		Date Sent		Second Notice Sent		Date Received		Date Called
Employment Verification								
Cert of Zero Income								
Documentation of Phone Verif								
Asset Verification								
Certificate of Deposit								
Income Verif for HH with Section 8								
Monetary Contribution								
DHS Verification								
Workman's Compensation								
Self Employment								
Real Estate Property								
Unemployment Benefits								
Child Support / Alimony								
Military Employment								
Social Security								
Veterans Administration								
Retirement (Pension)								
Student Verification								
Student Financial Aid Verification								

EMPLOYMENT VERIFICATION

THIS SECTION TO BE COMPLETED BY MANAGEMENT AND EXECUTED BY TENANT

TO: (Name & address of employer) Date: _____

_____

_____

_____

RE: _____ _____ _____
Applicant/Tenant Name Social Security Number Unit # (if assigned)

I hereby authorize release of my employment information.

_____ _____
Signature of Applicant/Tenant Date

The individual named directly above is an applicant/tenant of a housing program that requires verification of income. The information provided will remain confidential to satisfaction of that stated purpose only. Your prompt response is crucial and greatly appreciated.

_____
Project Owner/Management Agent

MAIL OR FAX THIS FORM TO:

THIS SECTION TO BE COMPLETED BY EMPLOYER

Employee Name: _____ Job Title: _____

Presently Employed: Yes _____ Date First Employed _____ No _____ Last Day of Employment _____

Current Gross Wages/Salary: $_____ (circle one) hourly weekly bi-weekly semi-monthly monthly yearly other_____

Average # of regular hours per week: _____ Gross Year-to-date earnings: $_____ from ____/____/____ through ____/____/____

Number of pay periods in Gross YTD earnings: _____

Overtime Rate: $_____ per hour Average # of overtime hours per week: _____

Shift Differential Rate: $_____ per hour Average # of shift differential hours per week: _____

Commissions, bonuses, tips, other: $_____ (circle one) hourly weekly bi-weekly semi-monthly monthly yearly other_____

Included in the year-to-date figure above? □ Yes □ No

List any anticipated change in the employee's rate of pay within the next 12 months: _____; Effective date: _____

Does the employee participate in a 401 (k) retirement account? □ Yes □ No Can the employee access the funds? □ Yes □ No

If the employee's work is seasonal or sporadic, please indicate the layoff period(s): _____

Additional remarks: _____

_____ _____ _____
Employer's Signature Employer's Printed Name Date

_____
Employer [Company] Name and Address

_____ _____ _____
Phone # Fax # E-mail

NOTE: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to any matter within its jurisdiction.

This institution is an equal opportunity provider.

CERTIFICATION OF ZERO INCOME

(To be completed by adult household members only, if appropriate)

Household Name:_____ Unit No. _____

Development Name: _____

1. I hereby certify that I do not individually receive income from any of the following sources:
   a. Wages from employment (including commissions, tips, bonuses, fees, etc.);
   b. Income from operation of a business;
   c. Rental income from real or personal property;
   d. Interest or dividends from assets;
   e. Social Security payments, annuities, insurance policies, retirement funds, pensions, or death benefits;
   f. Unemployment or disability payments;
   g. Public assistance payments;
   h. Periodic allowances such as alimony, child support, or gifts received from persons not living in my household;
   i. Sales from self-employed resources (Avon, Mary Kay, Shaklee, etc.);
   j. Any other source not named above.

2. I currently have no income of any kind and there is no imminent change expected in my financial status during the next 12 months.

3. Please explain the source of funds you will be using to make your rent payments: _____

_____

Under penalty of perjury, I certify that the information presented in this certification is true and accurate to the best of my knowledge. The undersigned further understand(s) that providing false representations herein constitutes an act of fraud. False, misleading or incomplete information may result in the termination of a lease agreement.

_____	_____	_____
Signature of Applicant/Tenant	Printed Name of Applicant/Tenant	Date

TENANT INCOME CERTIFICATION TC - 100

☐ Initial Certification ☐ Recertification
☐ Other _____

Effective Date: _____
Move-in Date: _____
(YYYY-MM-DD)

PART I - DEVELOPMENT DATA

Property Name: County: BIN #: PISD:
BIN Address: City: Zip:
Unit Number: # Bedrooms: Square Footage:

PART II. HOUSEHOLD COMPOSITION (DEMOGRAPHIC INFORMATION IS FOR LIHTC ONLY)

HH Mbr#	Last Name	First Name	Middle Initial	Relationship to Head of Household	Date of Birth (MM/DD/YY)	F/T Student?	SS# Last 4 Digits	Race	Ethnic	Disabled?
1										
2										
3										
4										
5										
6										
7										

PART III. GROSS ANNUAL INCOME (USE ANNUAL AMOUNTS)

HH Mbr #	(A) Employment or Wages	(B) Soc. Security/Pensions	(C) Public Assistance	(D) Other Income
TOTALS	$	$	$	$

Add totals from (A) through (D), above TOTAL INCOME (E): $

PART IV. INCOME FROM ASSETS

Hshld Mbr #	(F) Type of Asset	(G) C/I	(H) Cash Value of Asset	(I) Annual Income from Asset
		TOTALS:	$	$

Enter Column (H) Total If over $5,000 $_____ X Passbook Rate .06% = (J) Imputed Income $

Enter the greater of the total of column I, or J: imputed income **TOTAL INCOME FROM ASSETS (K)** $

(L) Total Annual Household Income from all Sources [Add (E) + (K)] $

HOUSEHOLD CERTIFICATION & SIGNATURES

The information on this form will be used to determine maximum income eligibility. I/we have provided for each person(s) set forth in Part II acceptable verification of current anticipated annual income. I/we agree to notify the landlord immediately upon any member of the household moving out of the unit or any new member moving in. I/we agree to notify the landlord immediately upon any member becoming a full time student.

Under penalties of perjury, I/we certify that the information presented in this Certification is true and accurate to the best of my/our knowledge and belief. The undersigned further understands that providing false representations herein constitutes an act of fraud. False, misleading or incomplete information may result in the termination of the lease agreement.

Signature _____ *(Date)* _____ Signature _____ *(Date)* _____

Signature _____ *(Date)* _____ Signature _____ *(Date)* _____

Includes expected updates to the HUD LIHTC Tenant Data Collection Form - (Revised April 2012) - OMB Approval No. 2528-0165 (Exp. 05/31/2013) Use after February 1 2015

PART V. DETERMINATION OF INCOME ELIGIBILITY

			RECERTIFICATION ONLY:
TOTAL ANNUAL HOUSEHOLD INCOME FROM ALL SOURCES: From item (L) on page 1	$	Household Meets Income Restriction at:	Current Income Limit x 140% $
Current LIHTC Income Limit per Family Size for the federal 50% or 60% set aside:	$	☐ 60% ☐ 50% ☐ 40% ☐ 30% ☐_____%	Household Income exceeds 140% at recertification: ☐ Yes ☐ No
Household Income at Move-in:	$		
Household Size at Move-in:			

PART VI. RENT

Tenant Paid Rent	$	Federal Rent Assistance Amount: $_____ *Source: _____ (*1-8)
Utility Allowance	$	Non-Federal Rent Assistance Amount: $_____
Other non-optional charges:	$	TOTAL RENT ASSISTANCE: $_____
GROSS RENT FOR UNIT: (Tenant paid rent plus Utility Allowance & other non-optional charges)	$	* Source of Federal Assistance 1 **HUD Multi-Family Project-Based Rental Assistance (PBRA) 2 Section 8 Moderate Rehabilitation 3 Public Housing Operating Subsidy 4 HOME Rental Assistance 5 HUD Housing Choice Voucher (HCV), tenant-based 6 HUD Project-Based Voucher (PBV) 7 USDA Section 521 Rental Assistance Program 8 Other Federal Rental Assistance
Maximum Rent Limit for this unit:	$	
Unit Meets Rent Restriction at:	☐ 60% ☐ 50% ☐ 40% ☐ 30% ☐_____%	** (PBRA) Includes: Section 8 New Construction/Substantial Rehabilitation; Section 8 Loan Management; Section 8 Property Disposition; Section 202 Project Rental Assistance Contracts (PRAC)

PART VII. STUDENT STATUS

ARE ALL OCCUPANTS FULL TIME STUDENTS? ☐ Yes ☐ No	If yes, Enter student explanation* (also attach documentation) *Enter 1-6: _____	*Student Explanation: 1 TANF assistance 2 Job Training Program 3 Single parent/dependent child 4 Married/joint return 5 Formerly in foster care 6 Extended-Use Period

PART VIII. PROGRAM TYPE

Mark the program(s) listed below (a. through e.) for which this household's unit will be counted toward the property's occupancy requirements. Under each program marked, indicate the household's income status as established by this certification/recertification.

a. Tax Credit ☐	b. HOME ☐	c. Tax Exempt ☐	d. AHDP ☐	e. ☐_____ (Name of Program)
See Part V above.	*Income Status* ☐ ≤ 50% AMGI ☐ ≤ 60% AMGI ☐ ≤ 80% AMGI ☐ OI**	*Income Status* ☐ 50% AMGI ☐ 60% AMGI ☐ 80% AMGI ☐ OI**	*Income Status* ☐ 50% AMGI ☐ 80% AMGI ☐ OI**	*Income Status* ☐ _____ ☐ _____ ☐ OI**

**Upon recertification, household was determined over-income (OI) according to eligibility requirements of the program(s) marked above.

SIGNATURE OF OWNER/REPRESENTATIVE

Based on the representations herein and upon the proofs and documentation required to be submitted, the individual(s) named in Part II of this Tenant Income Certification is/are eligible under the provisions of Section 42 of the Internal Revenue Code, as amended, and the Land Use Restriction Agreement (if applicable), to live in a unit in this Project.

_____ _____
SIGNATURE OF OWNER/REPRESENTATIVE DATE

Includes expected updates to the HUD LIHTC Tenant Data Collection Form - (Revised April 2012) - OMB Approval No. 2528-0165 (Exp. 05/31/2013) Use after February 1 2015

INSTRUCTIONS FOR COMPLETING TENANT INCOME CERTIFICATION

This form is to be completed by the owner or an authorized representative.

Part I - Development Data

Check the appropriate box for Initial Certification (move-in), Recertification (annual recertification), or Other. If Other, designate the purpose of the recertification (i.e., a unit transfer, a change in household composition, or other state-required recertification).

Effective Date	Enter the effective date of the certification. For move-in, this should be the move-in date. For annual recertification, this effective date should be no later than one year from the effective date of the previous (re)certification.
Move-in Date	Enter the date the tenant has or will take occupancy of the unit. (This date should reflect the most recent *Initial Certification Date* when the tenant was certified for occupancy of a tax credit unit.)
Property Name	Enter the name of the development.
County	Enter the county (or equivalent) in which the building is located.
BIN #	Enter the Building Identification Number (BIN) assigned to the building (from IRS Form 8609). This is expected to be in the following format: ME-87-00001, ME-87-00002, ME-87-00003, etc. Where - ME is the state allocating agency's two character state designation. In this case Maine. - 87 is the last two digits of the BIN's year of allocation (1987) - 00001, 00002, 00003 is a 5 digit serial number usually sequential.
Address	Enter the street address, city and zip code of the building.
Unit Number	Enter the unit number.
# Bedrooms	Enter the number of bedrooms in the unit.
Square Footage	Enter the square footage of the unit.

Part II - Household Composition

List all occupants of the unit. State each household member's relationship to the head of household by using one of the following coded definitions:

H	Head of Household	S	Spouse
A	Adult co-tenant	O	Other family member
C	Child	F	Foster child(ren)/adult(s)
L	Live-in caretaker	N	None of the above

Enter the date of birth, student status, and last four numbers of each household member's social security number or alien registration number. Enter 0000 (4 zeros) if the household member does not have a security number or alien registration number.

Race: Enter each household member's race by using one of the following coded definitions: *1 – White; 2 – Black/African American; 3 – American Indian/Alaska Native; 4 – Asian; 5 – Native Hawaiian/Other Pacific Islander, 6 - Other, or 8 – Tenant did not respond.*

Ethnicity: Enter each household member's ethnicity by using one of the following coded definitions: *1 – Hispanic or Latino; 2 –* not *Hispanic or Latino or 3 – Tenant did not respond.*

Disabled?: Enter 1 - (Yes) if the household member is disabled according to Fair Housing Act definition for handicap (disability)
Enter 2 - (No) if the household member is not disabled.
Enter 3 - Tenant Did Not Respond

Fair Housing Act definition for handicap (disability)

- A physical or mental impairment which substantially limits one or more major life activities; a record of such an impairment, or being regarded as having such an impairment. For a definition of "physical or mental impairment" and other terms used in this definition, please see 24 CFR 100.201, available at http://www.fairhousing.com/index.cfm?method=page.display&pagename=regs_fhu_100-201.
- "Handicap" does not include current, illegal use of or addiction to a controlled substance.
- An individual shall not be considered to have a handicap solely because that individual is a transvestite.

The housing credit agency administering its low-income housing credit program must, to the best of its ability, provide this disability status information, pursuant to 42 U.S.C. 1437z-8. However, it is the tenant's voluntary choice whether to provide such information, and questions to the tenant requesting the information must so state. If the tenant declines to provide the information, the housing credit agency shall use its best efforts to provide the information, such as by noting the appearance of a physical disability that is readily apparent and obvious, or by relying on a past year's information. For purposes of gathering this information, no questions with respect to the nature or severity of the disability are appropriate.

If there are more than 7 occupants, use an additional sheet of paper to list the remaining household members and attach it to the certification.

Part III - Annual Income

See HUD Handbook 4350.3 for complete instructions on verifying and calculating income, including acceptable forms of verification.

From the third party verification forms obtained from each income source, enter the gross amount anticipated to be received for the twelve months from the effective date of the (re)certification. Complete a separate line for each income-earning member. List the respective household member number from Part II.

Column (A)	Enter the annual amount of wages, salaries, tips, commissions, bonuses, and other income from employment; distributed profits and/or net income from a business.
Column (B)	Enter the annual amount of Social Security, Supplemental Security Income, pensions, military retirement, etc.
Column (C)	Enter the annual amount of income received from public assistance (i.e., TANF, general assistance, disability, etc.).
Column (D)	Enter the annual amount of alimony, child support, unemployment benefits, or any other income regularly received by the household.
Row (E)	Add the totals from columns (A) through (D), above. Enter this amount.

Part IV - Income from Assets

See HUD Handbook 4350.3 for complete instructions on verifying and calculating income from assets, including acceptable forms of verification.

From the third party verification forms obtained from each asset source, list the gross amount anticipated to be received during the twelve months from the effective date of the certification. List the respective household member number from Part II and complete a separate line for each member.

Column (F)	List the type of asset (i.e., checking account, savings account, etc.)
Column (G)	Enter C (for current, if the family currently owns or holds the asset), or I (for imputed, if the family has disposed of the asset for less than fair market value within two years of the effective date of (re)certification).
Column (H)	Enter the cash value of the respective asset.
Column (I)	Enter the anticipated annual income from the asset (i.e., savings account balance multiplied by the annual interest rate).
TOTALS	Add the total of Column (H) and Column (I), respectively.

If the total in Column (H) is greater than $5,000, you must do an imputed calculation of asset income. Enter the Total Cash Value, multiply by .06% and enter the amount in (J), Imputed Income.

Row (K)	Enter the greater of the total in Column (I) or (J)
Row (L)	Total Annual Household Income From all Sources Add (E) and (K) and enter the total

HOUSEHOLD CERTIFICATION AND SIGNATURES

After all verifications of income and/or assets have been received and calculated, each household member age 18 or older must sign and date the Tenant Income Certification. For move-in, it is recommended that the Tenant Income Certification be signed no earlier than 5 days prior to the effective date of the certification.

Part V – Determination of Income Eligibility

Total Annual Household Income from all Sources	Enter the number from item (L).
Current Income Limit per Family Size	Enter the Current Move-in Income Limit for the household size.
Household income at move-in Household size at move-in	For recertifications, only. Enter the household income from the move-in certification. On the adjacent line, enter the number of household members from the move-in certification. (This information should reflect information from the most recent *Initial Certification Date* when the tenant was certified for occupancy of a tax credit unit.)
Household Meets Income Restriction	Check the appropriate box for the income restriction that the household meets according to what is required by the set-aside(s) for the project.
Current Income Limit x 140%	For re-certifications only. Multiply the Current Maximum Move-in Income Limit by 140% and enter the total. Below, indicate whether the household income exceeds that total. If the Gross Annual Income at recertification is greater than 140% of the current income limit, then the available unit rule must be followed.

Part VI - Rent

Tenant Paid Rent	Enter the amount the tenant pays toward rent (not including rent assistance payments such as Section 8).
Rent Assistance	Enter both the Federal and Non-Federal amount of rent assistance, if any. Be sure to enter separate amounts for each source.
Source	Enter the source of the Federal rental assistance
Utility Allowance	Enter the utility allowance. If the owner pays all utilities, enter zero.
Other non-optional charges	Enter the amount of non-optional charges, such as mandatory garage rent, storage lockers, charges for services provided by the development, etc.
Gross Rent for Unit	Enter the total of Tenant Paid Rent plus Utility Allowance and other non-optional charges.
Maximum Rent Limit for this unit	Enter the maximum allowable gross rent for the unit.
Unit Meets Rent Restriction at	Check the appropriate rent restriction that the unit meets according to what is required by the set-aside(s) for the project.

Part VII - Student Status

If all household members are full time* students, check “yes”. If at least one household member is not a full time student, check “no”.

If “yes” is checked, the appropriate exemption must be listed in the box to the right. If none of the exemptions apply, the household is ineligible to rent the unit.

**Full time is determined by the school the student attends.*

Part VIII – Program Type

Mark the program(s) for which this household's unit will be counted toward the property's occupancy requirements. Under each program marked, indicate the household's income status as established by this certification/recertification. If the property does not participate in the HOME, Tax-Exempt Bond, Affordable Housing Disposition, or other housing program, leave those sections blank.

Tax Credit	See Part V above.
HOME	If the property participates in the HOME program and the unit this household will occupy will count towards the HOME program set-asides, mark the appropriate box indicting the household's designation.
Tax Exempt	If the property participates in the Tax Exempt Bond program, mark the appropriate box indicating the household's designation.
AHDP	If the property participates in the Affordable Housing Disposition Program (AHDP), and this household's unit will count towards the set-aside requirements, mark the appropriate box indicting the household's designation.
Other	If the property participates in any other affordable housing program, complete the information as appropriate.

SIGNATURE OF OWNER/REPRESENTATIVE

It is the responsibility of the owner or the owner's representative to sign and date this document immediately following execution by the resident(s).

The responsibility of documenting and determining eligibility (including completing and signing the Tenant Income Certification form) and ensuring such documentation is kept in the tenant file is extremely important and should be conducted by someone well trained in tax credit compliance.

These instructions should not be considered a complete guide on tax credit compliance. The responsibility for compliance with federal program regulations lies with the owner of the building(s) for which the credit is allowable.

OHFA Household Information Form

(use only for eligible 100% tax credit sites)

Move-in Date: _____
or TRANSFER from #_____ on _____
(A transfer does not change the move-in date or the effective date of the TIC)

DEVELOPMENT DATA

Property Name:_____ County:_____ BIN #: _____

Address: _____ Unit Number: _____ # Bedrooms: _____

HOUSEHOLD COMPOSITION

HH Mbr #	Last Name	First Name & Middle Initial	Relationship to Head of Household	Date of Birth (MM/DD/YYYY)	F/T Student (Y or N)	Last 4 digits of social security #
1			HEAD			
2						
3						
4						
5						
6						

MOST RECENT VERIFIED HOUSEHOLD TOTAL INCOME: $

Has anyone in this household been convicted of a felony?
___ No ___ Yes (If Yes, please provide additional information to management)

Does anyone in this household have a disability that is substantially limiting (i.e. physically disabled or mental illness) ?
___ No ___ Yes

RENT

Tenant Paid Rent $ _____
Utility Allowance $ _____

Rent Assistance: $_____
Other non-optional charges: $_____

GROSS RENT FOR UNIT:
(Tenant paid rent plus Utility Allowance & other non-optional charges) $

Unit Meets θ 60% θ 50% θ 40%
Rent Restriction at: θ 30% θ____%

Maximum Rent Limit for this unit: $ _____

_____

Providing one's race and ethnicity is an optional disclosure for applicants/tenants.
Declining to do so **will not affect** your eligibility for this program. This is being tracked for informational purposes only.

1. Race (Mark corresponding box(es) and indicate household member number from above)

☐	White _____	☐	Native Hawaiian _____	☐	Other multiple race combinations _____
☐	Black/ African American _____	☐	American Indian/ Alaskan Native _____	☐	Asian/ Pacific Islander _____

2. Ethnicity (Mark Box(es) and indicate which household composition member # from above)

☐ Hispanic or Latino _____ ☐ Not Hispanic or Latino _____

☐ I do not wish to disclose Race or Ethnicity _____

I agree to notify management IMMEDIATELY if:

- Anyone in my household becomes a fulltime student;
- My household composition changes;
- A household member is convicted of a felony

Under penalties of perjury, I/we certify that the information presented in this certification is true and accurate to the best of my/our knowledge and belief. The undersigned further understands that providing false representations herein constitutes an act of fraud. False, misleading or incomplete information may result in the termination of the lease agreement. I agree to furnish any additional income or other documentation required by the property owner/management to document my/our household income.

Signature	*(Date)*	Signature	*(Date)*
Signature	*(Date)*	Signature	*(Date)*

Based on the representations herein and upon the proofs and documentation required to be submitted, the individual(s) named in this Information Form is/are eligible under the provisions of Section 42 of the Internal Revenue Code, as amended, and the Land Use Restriction Agreement (if applicable), to live in a unit in this Project.

SIGNATURE OF OWNER/REPRESENTATIVE DATE

TENANT INCOME CERTIFICATION

☐ Initial Certification ☐ Recertification
☐ Other _____

Effective Date: _____
Move-in Date: _____
(YYYY-MM-DD)

PART I - DEVELOPMENT DATA

Property Name: County: BIN #: PISD:
BIN Address: City: Zip:
Unit Number: # Bedrooms: Square Footage:

PART II. HOUSEHOLD COMPOSITION (DEMOGRAPHIC INFORMATION IS FOR LIHTC ONLY)

HH Mbr#	Last Name	First Name	Middle Initial	Relationship to Head of Household	Date of Birth (MM/DD/YY)	F/T Student?	SS# Last 4 Digits	Race	Ethnic	Disabled?
1				HEAD						
2										
3										
4										
5										
6										
7										

PART III. GROSS ANNUAL INCOME (USE ANNUAL AMOUNTS)

HH Mbr #	(A) Employment or Wages	(B) Soc. Security/Pensions	(C) Public Assistance	(D) Other Income
TOTALS	$	$	$	$

Add totals from (A) through (D), above TOTAL INCOME (E): $

PART IV. INCOME FROM ASSETS

Hshld Mbr #	(F) Type of Asset	(G) C/I	(H) Cash Value of Asset	(I) Annual Income from Asset
		TOTALS:	$	$

Enter Column (H) Total If over $5,000 $_____ X Passbook Rate .06% = (J) Imputed Income $

Enter the greater of the total of column I, or J: imputed income **TOTAL INCOME FROM ASSETS (K)** $

(L) Total Annual Household Income from all Sources [Add (E) + (K)] $

HOUSEHOLD CERTIFICATION & SIGNATURES

The information on this form will be used to determine maximum income eligibility. I/we have provided for each person(s) set forth in Part II acceptable verification of current anticipated annual income. I/we agree to notify the landlord immediately upon any member of the household moving out of the unit or any new member moving in. I/we agree to notify the landlord immediately upon any member becoming a full time student.

Under penalties of perjury, I/we certify that the information presented in this Certification is true and accurate to the best of my/our knowledge and belief. The undersigned further understands that providing false representations herein constitutes an act of fraud. False, misleading or incomplete information may result in the termination of the lease agreement.

Signature _____ *(Date)* _____ Signature _____ *(Date)* _____

Signature _____ *(Date)* _____ Signature _____ *(Date)* _____

Includes expected updates to the HUD LIHTC Tenant Data Collection Form - (Revised April 2012) - OMB Approval No. 2528-0165 (Exp. 05/31/2013) Use after February 1 2015

PART V. DETERMINATION OF INCOME ELIGIBILITY

			RECERTIFICATION ONLY:
TOTAL ANNUAL HOUSEHOLD INCOME FROM ALL SOURCES: From item (L) on page 1	$	Household Meets Income Restriction at:	Current Income Limit x 140% $
Current LIHTC Income Limit per Family Size for the federal 50% or 60% set aside:	$	☐ 60% ☐ 50% ☐ 40% ☐ 30% ☐_____%	Household Income exceeds 140% at recertification: ☐ Yes ☐No
Household Income at Move-in:	$		
Household Size at Move-in:			

PART VI. RENT

Tenant Paid Rent	$	Federal Rent Assistance Amount: $_____ *Source: _____ (*1-8)
Utility Allowance	$	Non-Federal Rent Assistance Amount: $_____
Other non-optional charges:	$	TOTAL RENT ASSISTANCE: $_____
GROSS RENT FOR UNIT: (Tenant paid rent plus Utility Allowance & other non-optional charges)	$	* Source of Federal Assistance 1 **HUD Multi-Family Project-Based Rental Assistance (PBRA) 2 Section 8 Moderate Rehabilitation 3 Public Housing Operating Subsidy 4 HOME Rental Assistance 5 HUD Housing Choice Voucher (HCV), tenant-based 6 HUD Project-Based Voucher (PBV) 7 USDA Section 521 Rental Assistance Program 8 Other Federal Rental Assistance
Maximum Rent Limit for this unit:	$	
Unit Meets Rent Restriction at:	☐ 60% ☐ 50% ☐ 40% ☐ 30% ☐_____%	** (PBRA) Includes: Section 8 New Construction/Substantial Rehabilitation; Section 8 Loan Management; Section 8 Property Disposition; Section 202 Project Rental Assistance Contracts (PRAC)

PART VII. STUDENT STATUS

ARE ALL OCCUPANTS FULL TIME STUDENTS? ☐ Yes ☐ No	If yes, Enter student explanation* (also attach documentation) *Enter 1-6: _____	*Student Explanation: 1 TANF assistance 2 Job Training Program 3 Single parent/dependent child 4 Married/joint return 5 Formerly in foster care 6 Extended-Use Period

PART VIII. PROGRAM TYPE

Mark the program(s) listed below (a. through e.) for which this household's unit will be counted toward the property's occupancy requirements. Under each program marked, indicate the household's income status as established by this certification/recertification.

a. Tax Credit ☐	b. HOME ☐	c. Tax Exempt ☐	d. AHDP ☐	e. ☐_____ (Name of Program)
See Part V above.	*Income Status* ☐ ≤ 50% AMGI ☐ ≤ 60% AMGI ☐ ≤ 80% AMGI ☐ OI**	*Income Status* ☐ 50% AMGI ☐ 60% AMGI ☐ 80% AMGI ☐ OI**	*Income Status* ☐ 50% AMGI ☐ 80% AMGI ☐ OI**	*Income Status* ☐ _____ ☐ _____ ☐ OI**

**Upon recertification, household was determined over-income (OI) according to eligibility requirements of the program(s) marked above.

SIGNATURE OF OWNER/REPRESENTATIVE

Based on the representations herein and upon the proofs and documentation required to be submitted, the individual(s) named in Part II of this Tenant Income Certification is/are eligible under the provisions of Section 42 of the Internal Revenue Code, as amended, and the Land Use Restriction Agreement (if applicable), to live in a unit in this Project.

_____ _____
SIGNATURE OF OWNER/REPRESENTATIVE DATE

Includes expected updates to the HUD LIHTC Tenant Data Collection Form - (Revised April 2012) - OMB Approval No. 2528-0165 (Exp. 05/31/2013) Use after February 1 2015

INSTRUCTIONS FOR COMPLETING TENANT INCOME CERTIFICATION

This form is to be completed by the owner or an authorized representative.

Part I - Development Data

Check the appropriate box for Initial Certification (move-in), Recertification (annual recertification), or Other. If Other, designate the purpose of the recertification (i.e., a unit transfer, a change in household composition, or other state-required recertification).

Effective Date	Enter the effective date of the certification. For move-in, this should be the move-in date. For annual recertification, this effective date should be no later than one year from the effective date of the previous (re)certification.
Move-in Date	Enter the date the tenant has or will take occupancy of the unit. (This date should reflect the most recent *Initial Certification Date* when the tenant was certified for occupancy of a tax credit unit.)
Property Name	Enter the name of the development.
County	Enter the county (or equivalent) in which the building is located.
BIN #	Enter the Building Identification Number (BIN) assigned to the building (from IRS Form 8609). This is expected to be in the following format: ME-87-00001, ME-87-00002, ME-87-00003, etc. Where - ME is the state allocating agency's two character state designation. In this case Maine. - 87 is the last two digits of the BIN's year of allocation (1987) - 00001, 00002, 00003 is a 5 digit serial number usually sequential.
Address	Enter the street address, city and zip code of the building.
Unit Number	Enter the unit number.
# Bedrooms	Enter the number of bedrooms in the unit.
Square Footage	Enter the square footage of the unit.

Part II - Household Composition

List all occupants of the unit. State each household member's relationship to the head of household by using one of the following coded definitions:

H	Head of Household	S	Spouse
A	Adult co-tenant	O	Other family member
C	Child	F	Foster child(ren)/adult(s)
L	Live-in caretaker	N	None of the above

Enter the date of birth, student status, and last four numbers of each household member's social security number or alien registration number. Enter 0000 (4 zeros) if the household member does not have a security number or alien registration number.

Race: Enter each household member's race by using one of the following coded definitions: *1 – White; 2 – Black/African American; 3 – American Indian/Alaska Native; 4 – Asian; 5 – Native Hawaiian/Other Pacific Islander, 6 - Other, or 8 – Tenant did not respond.*

Ethnicity: Enter each household member's ethnicity by using one of the following coded definitions: *1 – Hispanic or Latino; 2 –* not *Hispanic or Latino or 3 – Tenant did not respond.*

Disabled?: Enter 1 - (Yes) if the household member is disabled according to Fair Housing Act definition for handicap (disability)
Enter 2 - (No) if the household member is not disabled.
Enter 3 - Tenant Did Not Respond

Fair Housing Act definition for handicap (disability)

- A physical or mental impairment which substantially limits one or more major life activities; a record of such an impairment, or being regarded as having such an impairment. For a definition of "physical or mental impairment" and other terms used in this definition, please see 24 CFR 100.201, available at http://www.fairhousing.com/index.cfm?method=page.display&pagename=regs_fhu_100-201.
- "Handicap" does not include current, illegal use of or addiction to a controlled substance.
- An individual shall not be considered to have a handicap solely because that individual is a transvestite.

The housing credit agency administering its low-income housing credit program must, to the best of its ability, provide this disability status information, pursuant to 42 U.S.C. 1437z-8. However, it is the tenant's voluntary choice whether to provide such information, and questions to the tenant requesting the information must so state. If the tenant declines to provide the information, the housing credit agency shall use its best efforts to provide the information, such as by noting the appearance of a physical disability that is readily apparent and obvious, or by relying on a past year's information. For purposes of gathering this information, no questions with respect to the nature or severity of the disability are appropriate.

If there are more than 7 occupants, use an additional sheet of paper to list the remaining household members and attach it to the certification.

Part III - Annual Income

See HUD Handbook 4350.3 for complete instructions on verifying and calculating income, including acceptable forms of verification.

From the third party verification forms obtained from each income source, enter the gross amount anticipated to be received for the twelve months from the effective date of the (re)certification. Complete a separate line for each income-earning member. List the respective household member number from Part II.

Column (A)	Enter the annual amount of wages, salaries, tips, commissions, bonuses, and other income from employment; distributed profits and/or net income from a business.
Column (B)	Enter the annual amount of Social Security, Supplemental Security Income, pensions, military retirement, etc.
Column (C)	Enter the annual amount of income received from public assistance (i.e., TANF, general assistance, disability, etc.).
Column (D)	Enter the annual amount of alimony, child support, unemployment benefits, or any other income regularly received by the household.
Row (E)	Add the totals from columns (A) through (D), above. Enter this amount.

Part IV - Income from Assets

See HUD Handbook 4350.3 for complete instructions on verifying and calculating income from assets, including acceptable forms of verification.

From the third party verification forms obtained from each asset source, list the gross amount anticipated to be received during the twelve months from the effective date of the certification. List the respective household member number from Part II and complete a separate line for each member.

Column (F)	List the type of asset (i.e., checking account, savings account, etc.)
Column (G)	Enter C (for current, if the family currently owns or holds the asset), or I (for imputed, if the family has disposed of the asset for less than fair market value within two years of the effective date of (re)certification).
Column (H)	Enter the cash value of the respective asset.
Column (I)	Enter the anticipated annual income from the asset (i.e., savings account balance multiplied by the annual interest rate).
TOTALS	Add the total of Column (H) and Column (I), respectively.

If the total in Column (H) is greater than $5,000, you must do an imputed calculation of asset income. Enter the Total Cash Value, multiply by .06% and enter the amount in (J), Imputed Income.

Row (K)	Enter the greater of the total in Column (I) or (J)
Row (L)	Total Annual Household Income From all Sources Add (E) and (K) and enter the total

HOUSEHOLD CERTIFICATION AND SIGNATURES

After all verifications of income and/or assets have been received and calculated, each household member age 18 or older must sign and date the Tenant Income Certification. For move-in, it is recommended that the Tenant Income Certification be signed no earlier than 5 days prior to the effective date of the certification.

Part V – Determination of Income Eligibility

Total Annual Household Income from all Sources	Enter the number from item (L).
Current Income Limit per Family Size	Enter the Current Move-in Income Limit for the household size.
Household income at move-in Household size at move-in	For recertifications, only. Enter the household income from the move-in certification. On the adjacent line, enter the number of household members from the move-in certification. (This information should reflect information from the most recent *Initial Certification Date* when the tenant was certified for occupancy of a tax credit unit.)
Household Meets Income Restriction	Check the appropriate box for the income restriction that the household meets according to what is required by the set-aside(s) for the project.
Current Income Limit x 140%	For re-certifications only. Multiply the Current Maximum Move-in Income Limit by 140% and enter the total. Below, indicate whether the household income exceeds that total. If the Gross Annual Income at recertification is greater than 140% of the current income limit, then the available unit rule must be followed.

Part VI - Rent

Tenant Paid Rent	Enter the amount the tenant pays toward rent (not including rent assistance payments such as Section 8).
Rent Assistance	Enter both the Federal and Non-Federal amount of rent assistance, if any. Be sure to enter separate amounts for each source.
Source	Enter the source of the Federal rental assistance
Utility Allowance	Enter the utility allowance. If the owner pays all utilities, enter zero.
Other non-optional charges	Enter the amount of non-optional charges, such as mandatory garage rent, storage lockers, charges for services provided by the development, etc.
Gross Rent for Unit	Enter the total of Tenant Paid Rent plus Utility Allowance and other non-optional charges.
Maximum Rent Limit for this unit	Enter the maximum allowable gross rent for the unit.
Unit Meets Rent Restriction at	Check the appropriate rent restriction that the unit meets according to what is required by the set-aside(s) for the project.

Part VII - Student Status

If all household members are full time* students, check “yes”. If at least one household member is not a full time student, check “no”.

If “yes” is checked, the appropriate exemption must be listed in the box to the right. If none of the exemptions apply, the household is ineligible to rent the unit.

**Full time is determined by the school the student attends.*

Part VIII – Program Type

Mark the program(s) for which this household's unit will be counted toward the property's occupancy requirements. Under each program marked, indicate the household's income status as established by this certification/recertification. If the property does not participate in the HOME, Tax-Exempt Bond, Affordable Housing Disposition, or other housing program, leave those sections blank.

Tax Credit	See Part V above.
HOME	If the property participates in the HOME program and the unit this household will occupy will count towards the HOME program set-asides, mark the appropriate box indicting the household's designation.
Tax Exempt	If the property participates in the Tax Exempt Bond program, mark the appropriate box indicating the household's designation.
AHDP	If the property participates in the Affordable Housing Disposition Program (AHDP), and this household's unit will count towards the set-aside requirements, mark the appropriate box indicting the household's designation.
Other	If the property participates in any other affordable housing program, complete the information as appropriate.

SIGNATURE OF OWNER/REPRESENTATIVE

It is the responsibility of the owner or the owner's representative to sign and date this document immediately following execution by the resident(s).

The responsibility of documenting and determining eligibility (including completing and signing the Tenant Income Certification form) and ensuring such documentation is kept in the tenant file is extremely important and should be conducted by someone well trained in tax credit compliance.

These instructions should not be considered a complete guide on tax credit compliance. The responsibility for compliance with federal program regulations lies with the owner of the building(s) for which the credit is allowable.

OKLAHOMA HOUSING FINANCE AGENCY

Quarterly Owner Certification

CHECK ONE:

- ☐ January 1, 20____ to March 31, 20____ due by April 10
- ☐ April 1, 20____ to June 30, 20_____ due by July 10
- ☐ July 1, 20____ to September 30, 20_____ due by October 10
- ☐ October1, 20____ to December 31, 20_____ due by January 28

DEVELOPMENT NAME: _____

ADDRESS: _____ COUNTY:_____

CITY: _____ STATE: _____ ZIP:_____

_OHFA FILE #: _____ ALLOCATION YEAR:_____

PLACED IN SERVICE DATE (PIS):_____

FIRST YEAR CREDIT WAS CLAIMED (Part II of Form 8609):_____

_PROPERTY EMAIL ADDRESS: _____ SITE MGR:_____

TELEPHONE #: _____ FAX #:_____

****

DEVELOPMENT OWNER: _____TIN #:_____

MAILING ADDRESS:_____

CITY: _____ STATE: _____ ZIP:_____

_CONTACT PERSON: _____ TITLE:_____

OWNER EMAIL ADDRESS:_____

TELEPHONE #: _____ FAX #:_____

Has ownership (or the general partner) changed or transferred since the date of allocation? YES OR NO

If yes, attach a copy of the resolution that was approved by OHFA's Board of Trustees.

****

Has Management Agent changed since PIS: YES OR NO

If yes, attach list of prior management agents and date of employment

MANAGEMENT AGENT: _____TIN #:_____

MAILING ADDRESS:_____

CITY: _____ STATE: _____ ZIP:_____

_CONTACT PERSON: _____ TITLE:_____

MANAGEMENT EMAIL ADDRESS:_____

TELEPHONE #: _____ FAX #:_____

DEVELOPMENT SYNDICATOR / INVESTOR: _____

MAILING ADDRESS:_____

CITY: _____ STATE: _____ ZIP:_____

_CONTACT PERSON: _____ TITLE:_____

SYNDICATOR EMAIL ADDRESS:_____

TELEPHONE #: _____ FAX #:_____

****

_____ Total Number of Buildings in Development?

_____ Total Number of Units in Development?

_____ Total Units Occupied by Low-Income Tenants?

_____ Total Units Occupied by Market Rate Tenants?

_____ Total Number of Vacant Units?

_____ Minimum Set-Aside Election? (20/50 or 40/60)

YES OR NO Was Minimum Set-Aside Election Met?

_____ If Minimum Set-Aside Election was Met, what was the date? (month and year)

_____ Set-Aside Election of the Owner? (Can be found in LIHTC Application or Regulatory Agreement)

_____ Number of Model/Office if applicable

_____ Number of Manager / Employee units if applicable

_____ BIN Number of Model / Office / Manager unit if applicable

***Reminder: Attach Unit Data Sheet and Tenant Income Certifications

SUMMARY OF PROPERTY RENT/UTILITY CHARGES AND SQUARE FOOTAGE

UNIT TYPE **COL. 1**	TOTAL # OF UNITS **COL. 2**	RENT PER UNIT **COL. 3**	UTILITY ALLOW. **COL. 4**	GROSS RENT **COL. 5**	SQ. FEET PER UNIT **COL. 6**

UNIT TYPE **COL. 1**	TOTAL # OF UNITS **COL. 2**	RENT PER UNIT **COL. 3**	UTILITY ALLOW. **COL. 4**	GROSS RENT **COL. 5**	SQ. FEET PER UNIT **COL. 6**

CERTIFICATION

On this _____ day of _____, 20____, the undersigned, having been allocated certain Low-Income Housing Tax Credits pursuant to Section 42 of the Internal Revenue Code of 1986, as amended, by Oklahoma Housing Finance Agency (OHFA) for the purpose of purchasing, constructing and improving a certain housing project (the Project), does hereby certify, represent, and warrant under oath and the penalty of perjury, that such Project is in continuing compliance with the Regulatory Agreement executed by the undersigned and filed in the official public records of _____ County, Oklahoma, the Rules of the OHFA and Section 42 of the Internal Revenue Code of 1986, as amended, and that a Tenant Income Certification is attached hereto for each new tenant in such Development since the filing of the last such certification and that the information presented herein and in the Tenant Income Certifications are true and correct to the best of the knowledge and belief of the undersigned.

This Certification and any attachments are made UNDER PENALTY OF PERJURY.

_____

(Ownership Entity)

By: _____

Title: _____

Date: _____

OKLAHOMA HOUSING FINANCE AGENCY
Annual Owner Certification
Cover Page

JANUARY 1, 20____ THRU DECEMBER 31, 20____

DEVELOPMENT NAME: _____

ADDRESS: _____ **COUNTY:**_____

CITY: _____ **STATE:** _____ **ZIP:**_____

OHFA FILE #: _____ **ALLOCATION YEAR:**_____

PLACED IN SERVICE DATE (PIS):_____

FIRST YEAR CREDIT WAS CLAIMED (Part II of Form 8609):_____

PROPERTY EMAIL ADDRESS: _____ **SITE MGR:**_____

SITE TELEPHONE #: _____ **FAX #:**_____

☐ please check if new address since last report

DEVELOPMENT OWNER: _____**TIN #:**_____

MAILING ADDRESS:_____

CITY: _____ **STATE:** _____ **ZIP:**_____

CONTACT PERSON:_____ **TITLE:**_____

OWNER EMAIL ADDRESS:_____

TELEPHONE #: _____ **FAX #:**_____

Has ownership (or the general partner) changed or transferred since the date of allocation? YES OR NO

If yes, attach a copy of the resolution that was approved by OHFA's Board of Trustees.

G.P. or Managing member: _____ **TIN:**_____

(**This is the responsible party NOT the management company)**

Has Management Agent changed since PIS: YES OR NO

If yes, attach list of prior management agents and date of employment

☐ please check if new address since last report

MANAGEMENT AGENT: _____TIN #_____

MAILING ADDRESS:_____

CITY: _____ STATE: _____ ZIP:_____

CONTACT PERSON: _____TITLE:_____

MANAGEMENT EMAIL ADDRESS:_____

TELEPHONE #: _____ FAX #:_____

Has syndicator / investor changed since PIS: YES OR NO

If yes, attach list of prior investors and date

DEVELOPMENT SYNDICATOR / INVESTOR:_____

MAILING ADDRESS:_____

CITY: _____ STATE: _____ ZIP:_____

CONTACT PERSON: _____TITLE:_____

SYNDICATOR EMAIL ADDRESS:_____

TELEPHONE #: _____ FAX #:_____

REMINDER: ATTACH THE UNIT DATA SHEETS FOR EACH BIN
OHFA does not require the TIC's unless requested

OWNER'S CERTIFICATE OF CONTINUING PROGRAM COMPLIANCE

To: Oklahoma Housing Finance Agency
100 NW 63rd, Suite 200
Oklahoma City, Oklahoma 73116

☐ No buildings have been Placed in Service
☐ At least one building has been placed in Service but owner elects to begin credit period in the following year.
If either of the above applies, please check the appropriate box, and proceed to page 2 to sign and date this form.

Certification Dates:	**From:** **January 1, 20_____**	**To:** **December 31, 20_____**	
Project Name:		**Project No:**	
Project Address:		**City:**	**Zip:**
Tax ID # of Ownership Entity:			

The undersigned_____ on behalf of

_____ (the "Owner"), hereby certifies that:

1. The project meets the minimum requirements of: (check one)

   ☐ 20 - 50 test under Section 42(g)(1)(A) of the Code
   ☐ 40 - 60 test under Section 42(g)(1)(B) of the Code
   ☐ 15 - 40 test for "deep rent-skewed" projects under Section 42(g)(4) and 142(d)(4)(B) of the Code

2. There has been **no change in the applicable fraction** (as defined in Section 42(c)(1)(B) of the Code) for any building in the project:
   ☐ **NO CHANGE** ☐ **CHANGE**
   If **"Change",** list the applicable fraction to be reported to the IRS for each building in the project for the certification year on page 3:

3. The owner has received an annual Tenant Income Certification from each low-income resident and documentation to support that certification.
   ☐ **YES** ☐ **NO**

4. Each low-income unit in the project has been rent-restricted under Section 42(g)(2) of the Code:
   ☐ **YES** ☐ **NO**

5. No tenants in low-income units were evicted or had their tenancies terminated other than for good cause and no tenants had an increase in the gross rent with respect to a low-income unit not otherwise permitted under Section 42:
   ☐ **YES** ☐ **NO**

6. All units in the project are and have been for use by the general public and used on a non-transient basis (except for transitional housing for the homeless provided under Section 42 (i)(3)(B)(iii) of the Code):
   ☐ **YES** ☐ **NO** ☐ **HOMELESS**

7. No finding of discrimination under the Fair Housing Act, 42 U.S.C 3601-3619, has occurred for this project. A finding of discrimination includes an adverse final decision by the Secretary of Housing and Urban Development (HUD), 24 CFR 180.680, an adverse final decision by a substantially equivalent state or local fair housing agency, 42 U.S.C 3616a(a)(1), or an adverse judgment from a federal court:
   ☐ **YES** ☐ **NO**

8. Each building in the project is and has been suitable for occupancy, taking into account local health, safety, and building codes (or other habitability standards), and the state or local government unit responsible for making building code inspections did not issue a report of a violation for any building or low income unit in the project:
   ☐ **YES** ☐ **NO**
   If **"No"**, state nature of violation on page 3 and attach a copy of the violation report as required by 26 CFR 1.42-5.

9. There has been **no change in the eligible basis** (as defined in Section 42(d) of the Code) of any building in the project since last certification submission:

☐ **NO CHANGE** ☐ **CHANGE**

If **"Change"**, state nature of change (e.g., a common area has become commercial space, a fee is now charged for a tenant facility formerly provided without charge, or the project owner has received federal subsidies with respect to the project which had not been disclosed to the allocating authority in writing) on page 3:

10. All tenant facilities included in the eligible basis under Section 42(d) of the Code of any building in the project, such as swimming pools, other recreational facilities, parking areas, washer/dryer hookups, and appliances were provided on a comparable basis without charge to all tenants in the buildings:

☐ **YES** ☐ **NO**

11. If a low-income unit in the project has been vacant during the year, reasonable attempts were or are being made to rent that unit or the next available unit of comparable or smaller size to tenants having a qualifying income before any units were or will be rented to tenants not having a qualifying income:

☐ **YES** ☐ **NO**

12. If the income of tenants of a low-income unit in the project increased above the limit allowed in Section 42(g)(2)(D)(ii) of the Code, the next available unit of comparable or smaller size was or will be rented to residents having a qualifying income:

☐ **YES** ☐ **NO**

13. An extended low-income housing commitment as described in section 42(h)(6) was in effect, including the requirement under section 42(h)(6)(B)(iv) that an owner cannot refuse to lease a unit in the project to an applicant because the applicant holds a voucher or certificate of eligibility under section 8 of the United States Housing Act of 1937, 42 U.S.C. 1437f. Owner has not refused to lease a unit to an applicant based solely on their status as a holder of a section 8 voucher and the project otherwise meets the provisions, including any special provisions, as outlined in the extended low-income housing commitment (not applicable to buildings with tax credits from years 1987-1989):

☐ **YES** ☐ **NO** ☐ **N/A**

14. The owner received its credit allocation from the portion of the state ceiling set-aside for a project involving **"qualified non-profit organizations"** under Section 42(h)(5) of the code and its non-profit entity materially participated in the operation of the development within the meaning of Section 469(h) of the Code.

☐ **YES*** ☐ **NO** ☐ **N/A**

***If the answer to this question is yes, the non-profit entity will need to complete the addendum to this certification.**

15. There has been no change in the ownership or management of the project:

☐ **NO CHANGE** ☐ **CHANGE**

If **"Change"**, complete page 3 detailing the changes in ownership or management of the project.

Note: Failure to complete this form in its entirety will result in noncompliance with program requirements. In addition, any individual other than an owner or general partner of the project is not permitted to sign this form, unless permitted by the state agency.

The project is otherwise in compliance with the Code, including any Treasury Regulations, the applicable State Allocation Plan, and all other applicable laws, rules and regulations. This Certification and any attachments are made UNDER PENALTY OF PERJURY.

_____

(Ownership Entity)

By: _____

Title: _____

Date: _____

PLEASE EXPLAIN ANY ITEMS THAT WERE ANSWERED "NO" OR "CHANGE" ON QUESTIONS 1-14.

Question #	Explanation

CHANGES IN OWNERSHIP OR MANAGEMENT
(to be completed **ONLY if "CHANGE"** marked for question 14 above)

TRANSFER OF OWNERSHIP

Date of Change:	
Taxpayer ID Number:	
Legal Owner Name:	
General Partnership:	
Status of Partnership (LLC, etc):	

CHANGES IN OWNER CONTACT

Date of Change:	
Owner Contact:	
Owner Contact Phone:	
Owner Contact Fax:	
Owner Contact Email:	

CHANGES IN MANAGEMENT CONTACT

Date of Change:	
Management Co. Name:	
Management Address:	
Management city, state, zip:	
Management	

Contact:	
Management Contact Phone:	
Management Contact Fax:	
Management Contact Email:	

Non-Profit Addendum to
Annual Owner Certification

Certification Dates:	From: January 1, 20_____	To: December 31, 20_____	
Project Name:		**Project No:**	
Project Address:		City:	Zip:
Tax ID # of Ownership Entity:			

This form is to be completed if the site listed above received its credit allocation from the portion of the state ceiling set-aside for a project involving "qualified non-profit organizations" under Section 42(h)(5) of the Code.

IRC 42(h)(5) requires that each state set aside at least 10% of its state housing credit ceiling for allocations to projects in which qualified nonprofit organizations own an interest and materially participate in the development and operation of the projects. "Qualified nonprofit organization" is defined as an IRC 501(c)(3) or 501(c)(4) organization exempt from tax under IRC 501(a) that is determined by the state agency as not being affiliated with or controlled by a for-profit organization, and one of the exempt purposes of the organization includes the fostering of low-income housing.

For purposes of this allocation, a nonprofit organization must have an ownership interest in the low-income housing project throughout the compliance period and materially participate in the development and operation of the project.

Nonprofit Organization Name: _____
Address:_____
City:_____**State:**_____**Zip:** _____
Contact Person: _____ **Phone #**_____
Email Address: _____

1. Do you have an ownership interest in the project?
   ☐ **ES** ☐ **N**
2. Did you participate in the development of the project?
   ☐ **ES** ☐ **N**
3. Do you continue to participate in the day-to-day operations of the project?
   ☐ **ES** ☐ **N**
4. Do you aid in the management decision-making of the project?
   ☐ **ES** ☐ **N**
5. Do you provide services to the project?
   ☐ **ES** ☐ **N**
6. How often do you have an on-site presence at this site? _____

_____ _____
Signature of Non-Profit Rep **Non-Profit Rep Name Printed**

_____ _____
Title of person signing **Date**

Oklahoma Housing Finance Agency
Unit Data Sheet Instructions

The Units Data Sheet requests information for each Building in the Development and each qualified low-income Unit in such Building. Each column must be completed listing household information, move-ins and move-outs, certifications, etc. for each unit. The Unit Data Sheet is historical, therefore, a unit may require several lines to record the entire history for the year of a given unit. A separate Unit Data Sheet will need to be provided for each building.

Explanation of Information Requested

(A) Units No.:
The apartment number of every Unit in the Building must be included in this report whether or not used as a residential housing unit and whether or not occupied by a qualified tenant.

(B) Square Feet:
The amount of square feet in this Unit.

(C) Bedroom Size:
Number of bedrooms in this Unit. Efficiencies and studios, use O.

(D) Head of Household:
List the head of household first and last name.

(E) Household Size:
State total number of occupants in the household at move-in.

(F) Move-In Date:
Date the initial lease agreement was executed by tenant.

(G) Gross Income at Move-In:
The total gross annual income of all occupants of the unit at move-in.

(H) Last Certification Date:
The date that the initial certification or the last recertification was executed by the tenant prior to the recertification that was completed for the current reporting year (i.e., initial cert = 9/15/99, last cert = 9/15/01, current recert = 9/15/02).

(I) Current Recert Date:
Date that recertification was executed by the tenant for the current reporting year. NOTE: Annual recertification must be completed within 12 months of the previous certification.

(J) Current Recert Income:
List the total gross annual income of all occupants in the unit on the current recertification.

(K)Household Size at Recertification:
List the household size at the current recertification.

(L) Tenants Rent Portion:
The amount of rent that the tenant is required to pay. NOTE: For Section 8 tenants list the portion that the tenant is responsible for.

(M) Utility Allowance:
List the current amounts used for the utility allowance for that unit.

(N) Move-Out Date:
If the tenant has vacated the unit during the reporting period, record date of move-out. NOTE: If the tenant transfers to another unit, the old unit is considered as a move-out and the new unit is considered as a move-in.

(O) Set-Aside:
Note in each space whether unit is 50% AMI, 60% AMI, or Market Rate.

(P) Type of Unit:
Note if the unit is designated Homeless, Elderly, Mgr./Emp./Staff Unit, or Over-Income at recertification.

***(Q) Comments:**
State if resident was an eviction, late recertification, notice to vacate, or any other information that could be helpful.

***When reporting a late recertification, attach copies of the 120 day, 90 day, 60 day and 30 day notices that informed the resident to recertify.**

Date Prepared _____

Page _____of _____ Pages

Reporting Period: January 1, 20_____ to December 31, 20_____

Property Name: _____

Building Address: _____

_____

Total Units in Bldg: _____

Total Low Income Units in Bldg:_____

Total Employee Units in Bldg: _____

Total Market Units in Bldg: _____

Building Identification Number (BIN):

_____

*Set-Aside: 50%, 60%, Market

**Type of Unit: Homeless, Elderly, Employee / Mgr. / Exempt Unit, Over-Income (OI) @ recert

Unit No. (A)	Sq. Ft. (B)	Bdrm Size (C)	Head of Household (D)	HH Size At MI (E)	Move-in Date (F)	Gross Income at Move-In (G)	Last Cert Date (H)	Current Recert Date (I)	Current Recert Income (J)	HH Size At Recert (K)	Tenants Rent Portion (L)	Utility Allowance (M)	Move-Out Date (N)	*Set-Aside (O)	**Type of Unit (P)	Comments (Q)

Revised August 2007

Annual Recertification Notice – 120 day

Date: _____

Resident Name: _____

Apt. #: _____

Dear _____:

This notice is being sent to inform you that we must begin the process for annual recertification of income. Federal regulations and program rules require that residents must recertify annually.

Please contact the office at _____ to make arrangements to complete the necessary documents for this recertification. We will need to verify employment income, asset income, court ordered child support, social security, etc. for each household member along with verifying the current names of each household member.

This notice is being issued 120 days prior to the date your certification will need to be completed; this is due to the time frame some verifications can take. Your recertification will need to be completed no later than _____.

If you have any questions please contact the office. Your cooperation will be greatly appreciated.

Sincerely,

_____ Apartments

copy: Residents File

Annual Recertification Notice – 90 day

Date: _____

Resident Name: _____

Apt. #: _____

Dear _____:

This notice is being sent to inform you that we must begin the process for annual recertification of income. Federal regulations and program rules require that residents must recertify annually.

Please contact the office at _____ to make arrangements to complete the necessary documents for this recertification. We will need to verify employment income, asset income, court ordered child support, social security, etc. for each household member along with verifying the current names of each household member.

This notice is being issued 90 days prior to the date your certification will need to be completed; this is due to the time frame some verifications can take. Your recertification will need to be completed no later than _____.

If you have any questions please contact the office. Your cooperation will be greatly appreciated.

Sincerely,

_____ Apartments

copy: Residents File

Annual Recertification Notice – 60 day

Date: _____

Resident Name: _____

Apt. #: _____

Dear _____:

You were contacted in writing approximately 60 days ago with an annual recertification notice. Attempts to contact the office have either not been successful or there has been no response on your part. This notice will serve as a reminder that residents must comply with Federal recertification procedures.

Please contact the office immediately at _____ to make arrangements to complete the necessary documents prior to signing the recertification. Your failure to recertify will lead to a violation of your lease agreement.

We will need verification of all income for each household member before the recertification can be signed; this must be signed no later than _____. If you have any questions, please contact the office.

Sincerely,

_____ Apartments

copy: Residents File

Annual Recertification – 30 Day Warning

Date: _____

Resident Name: _____

Apt. #: _____

Dear _____:

You have been previously issued 120, 90 and 60 day notices in regard to your annual recertification. Because there has been no response on your part, this warning is issued to notify you that we must have your annual resident income and household information verified in order for you to sign the recertification. This must be completed and signed no later than _____.

Failure to recertify is a violation of Federal program requirements and your lease agreement. *This will serve as a 30 day notice that on _____ without a signed certification your rent will be raised to market rate of $_____*. You must contact the office at _____ immediately. Your residency may be jeopardized if this matter is not cured.

Sincerely,

_____ Apartments

copy: Residents File

Tax Credit
Lease Addendum

This is an addendum to the Lease Contract executed by you, the resident(s), on the dwelling you have agreed to rent. That dwelling is apt #_____ at_____
(name of apartment community)

_____
(address) (city) (state) (zip)

We, as the owner of the dwelling you are renting, are participating in the Federal Low Income Housing Tax Credit Affordable Housing Program. This program requires both you and us to verify certain information and to agree to certain provisions contained in this addendum.

ACCURATE INFORMATION ON APPLICATION: By signing this addendum, you are certifying that the information provided in the Rental Application or any Supplemental Rental Application regarding your household annual income is true and accurate.

FUTURE REQUEST FOR INFORMATION: By signing this addendum, you agree that the annual income and other eligibility requirements for participation in this government regulated affordable housing program are substantial and material obligations under the Lease Contract. You agree to comply promptly with all requests for information regarding annual income and eligibility, including requests by the owner and the appropriate government monitoring agency. These requests to you may be made to you now and any time during the Lease Contract term or renewal period.

INACCURATE INFORMATION AS GROUNDS FOR EVICTION: If you refuse to answer or if you do not provide accurate information in response to those requests, it will be considered a substantial violation of the Lease Contract and you can be evicted.

STUDENT STATUS: By signing this addendum, you agree to notify the owner, in writing, if there are any changes in the student status of any residents (including replacement residents) occupying the unit at any time.

FELONY CONVICTION: By signing this addendum, you agree to notify the owner, in writing, if anyone in the household becomes convicted of a felony at any time.

_____ _____
RESIDENT DATE

_____ _____
RESIDENT DATE

_____ _____
RESIDENT DATE

_____ _____
RESIDENT DATE

_____ _____
OWNER'S REPRESENTATIVE DATE

Housing Tax Credit Compliance FAQs:

1. The owner of a 100% tax credit site wants us to continue to recertify all households. Will OHFA be reporting late re-certifications?

No, OHFA will not be monitoring for re-certifications due in 2009 for 100% tax credit sites. OHFA will be monitoring initial move-in certifications, re-certifications due in 2008 and prior, including the HERA mandated collection requirement beginning with 2010. HERA requires the following information from each household member: race, ethnicity, family composition, age, income, use of rental assistance, disability status, rental amount, and last four digits of social security number. OHFA will also be monitoring to assure that student status and felony status is gathered.

2. When someone receives Child Support payments in arrears, is the full amount received counted as income or only the amount to be received each month (i.e. $300 month in decree but getting $500 due to being in arrears)?

You should count the $500 month for as long as the resident plans to receive it and then count $300 a month. Remember you are counting income for the next 12 months.

3. If a prospective resident arrives in our state and has not yet secured a job, what income, if any, should I count?

If the income is not verifiable or guaranteed, do not count it. Owners should ask the appropriate questions regarding whether or not an unemployed household member is planning to seek employment. If a household is accepted as low-income and subsequently becomes over-income, the owner should be prepared to prove due diligence. Your goal is to maintain the integrity of the tax credit files. The IRS will be notified if OHFA finds a pattern of over income households that became such shortly after move-in.

4. If owners are allowed to perform retro-active re-certifications, what incentive do they have to complete them on time?

When a retro-active recertification is performed, the recertification was performed late. This finding is reported to the IRS if OHFA detects a pattern of late re-certifications. This will apply only to mixed income (tax credit / market) properties.

5. I have an employment verification for a prospective resident. This person is qualified with the current wages and hours. By using the year-to-date figures provided, this person is over-income. This person had a baby and decreased her hours from full-time to part-time.

OHFA's tax credit compliance procedure is to use current circumstances including any known anticipated income. An owner can always be more stringent than the State Agency and may use the higher income at their discretion.

6. Does a single full-time student who is also pregnant qualify under one of the student exceptions?

Yes, according to HUD an unborn child may be included for the household income qualifying purpose, therefore, according to the IRS, it is also allowable that an unborn child may be included as an exception to a full time student household. (However, be aware if the baby does not survive, the exception no longer exists.)

7. A household is being certified in the month of July and the management notices that one of the household members will be 18 in September. How should the certification be completed?

The household's income is counted for the upcoming 12 months. Therefore, include in the recertification any income that this person is expected to earn after he/she turns 18.

8. If a change in household members occur after move-in, is the manager required to initially qualify the household?

No. However if at any time a new adult member joins a household the new member must complete an application and be income certified on the TIC. The income of the new member must then be added to the income disclosed on the existing household's TIC. If the total income combined exceeds 140% of the income limit, the Available Unit Rule is invoked. For mixed income properties, the next complete recertification is due when the existing household TIC expires.

9. If a change in the current household income occurs shortly after move-in, is the manager required to recertify the household?

No, for the Tax Credit program income changes are reported at the time of re-certification, if applicable. However, if it is discovered that a household manipulated the program rules to qualify to live in a tax credit unit, an owner must be prepared to prove due diligence. This will be achieved by assuring the appropriate questions are asked at move-in (i.e. are changes in household size anticipated, a guaranteed job offered and not disclosed?)

10. What happens if a unit is leased as tax credit eligible but at a later date it is discovered that the household was not income qualified at move-in?

If a calculation error was made in certifying a household and it is found that the household never income qualified for the unit, the unit is not a qualified tax credit unit until the next qualified household moves-in. Owners should consult with their tax attorney. To avoid this situation, it is very important to carefully verify the income of a household prior to occupancy and have different sets of eyes view it.

The IRS states noncompliance issues identified and corrected by the owner "prior to notification" of an upcoming compliance review or inspection by the state agency need not be reported.

11. What forms does OHFA require sites to use and where can I find them?

Employment Verification, Zero Income Certification, Under $5,000Asset Certification, Student Verification, Tenant Income Certification (unless RHS), OHFA Household Information Form (if eliminating recertification's). These

forms can be found in the appendices in the OHFA Tax Credit Compliance Manual. This manual can be found at www.ohfa.org.

12. I have a resident that wants to transfer from one building to another on my partial tax credit property. The household is over the 140% income limit, can I allow this transfer?

No. If the re-certification process is applicable, the household income can not be over 140% of the current income limit prior to the transfer. It is also important to remember that transfers are allowable ONLY if the buildings on the property are chosen as part of a multiple building project on the Form 8609 (box 8B).

13. I have a resident that wants to transfer from one building to another on my 100% tax credit property. The household is over the 140% income limit, can I allow this transfer?

If you have documented a household that is over the 140% income limit, the transfer will NOT be allowed.

14. The passage of the Housing and Economic Recovery Act of 2008 requires sites to report specific data to the State. What information is required and how do I report it?

The required HUD demographic data to be reported for each household member is: race, ethnicity, family composition, age, income, use of rental assistance, disability status, rental amount, and last four digits of social security number. OHFA will also be monitoring to assure that student status and felony status is gathered. All information must be submitted to OHFA Feb 15th of each year for the previous year via Certification Online (COL).

15. Does a Tax Credit site layered with Rural Development funds, have to initially certify a tax credit qualified household on an OHFA TIC?

No. OHFA accepts the RD TIC in place of the Tax Credit TIC, therefore a site layered with tax credits will NOT have to complete anything in addition to the RD TIC. This is only allowed if OHFA is assured that the RD TIC is signed no more than 5 days prior to move-in but on or before the actual move-in date. ***Note: The OHFA Tax Credit effective date is ALWAYS the move-in date or the anniversary of, regardless of the RD rules.***

16. I live on the property I manage so I am assuming it is a managers / exempt unit. Should I be paying rent and utilities for my unit or should the owner?

If you are NOT tax credit qualified to live on-site, as all of the other residents, and the unit you are living in is titled a managers / exempt / non-revenue unit, then yes the owner should not be charging you rent. However, if you are the manager and a qualified resident just like all the other residents, then the owner is not responsible for paying your rent.

17. Can same sex families qualify for LIHTC housing if comprised entirely of full time students?

At the time of publication of this manual program guidance states for Federal tax purposes, the Internal Revenue Service (Service) recognizes a marriage of same-sex individuals validly entered into in a state whose laws authorize the

marriage of two individuals of the same sex even if the state in which they are domiciled does not recognize the validity of same-sex marriages. If married and eligible to file a joint tax return same sex families may be eligible. Please continue to stay abreast of current information from the IRS as guidance is forthcoming. Information for this FAQ is based on IRS Rev. Rul. 2013-17.

18. Are there notices that OHFA recommends but does not require regarding Fair Housing and Anti-Harassment?

Yes. OHFA recommends posting Fair Housing and Reasonable Accommodation Notices as well as an Anti-Harassment policy with an anti-retaliation provision that residents and employees sign.

19. What is the procedure for submitting an accommodation request?

Although a verbal request is acceptable, the preferred method for submitting an accommodation request is in writing. The management company may request additional documentation as necessary.

OHFA: Fair Housing Accessibility Guide

Development: PIS Date:

If placed in service date is prior to March 31, 1991, the unit is exempt from Fair Housing Act regulations.

A. Site Accessibility

1. Are the handicap parking spaces oversized or do they include a painted access aisle?

Painted access aisle

2. Are the tenant mailboxes on an accessible route?

Wide sidewalk with access ramp

3. Do the mailboxes have a 5' x 5' clear turnaround space in front of them?

4. If the community has a playground, is it wheelchair accessible?

5. If community has public use amenities, (picnic areas, tennis courts, basketball courts, a swimming pool or gazebo), are they on an accessible route?

B. Common Buildings Accessibility

1. Is the Office and/or Community Building served with at least one handicap parking space with a painted or oversized access aisle?

2. Is the Office and/or Community Building and Laundry Room on an accessible route, free from inclines and steps?

3. Is the threshold height of the primary door to the Office and/or Community Building and Laundry Room one-half inch or less?

4. Are the primary door openings of the Office and/or Community Buildings and Laundry wider than 32"?

5. Does the primary door to the Office and/or Community Room and Laundry require little effort to open?

6. Are the hallways in the Office and/or Community Building 36" or wider?

Provides easy accessibility

7. Are the door openings to the habitable rooms in the Office and/or Community Building greater than 32"?Yes

Doorways provide accessibility throughout

8. Are the bathrooms in the Office and/or Community Building fully accessible, including grab bars around the toilets, wall hung sink, and a 5' x 5' turnaround space in front of the toilet and sink?

C. Dwelling Unit Accessibility

1. Is there an accessible route to the dwelling unit, free from inclines and steps?

2. Is the threshold height at the primary entrance door one-half inch or less?

Threshold height exceeds 1/2" requiring extra effort for access

3. Is the primary entrance door opening 32" or wider?

4. Are the hallways 36" or wider throughout the dwelling unit?

5. Are the door openings to all habitable rooms 32" or wider?

Smaller doorways do not always allow access by wheelchair users

6. If there is a secondary entrance, is that opening 32" or wider?

7. Is there a 30" x 48" clear floor space in front of sink, toilet, and tub?

8. Is the toilet compartment space 33" or wider?

9. Is there 40" clearance between kitchen cabinets and appliances?

10. Is there 30" x 48" clear floor space in front of kitchen cabinets and appliances?

11. If there are walk-in closets, are the door openings 32" or greater?

12. Is the thermostat 48" or less above the floor?

A wheelchair user cannot read the settings on a thermostat mounted too high

13. Are the light switches 48" or less above the floor?

14. Is at least one electrical outlet 15" or higher above the floor?

15. Is there blocking in place, beside and behind toilet, and behind tub walls, for future grab bars?

Disclaimer: This checklist is only a guide. Owners and managers should not rely solely upon this checklist when assessing their compliance with the Fair Housing Act. OHFA does not in any way warrant that this checklist will ensure compliance with any laws or regulations regarding accessibility for disabled individuals. Owners and managers should consult with legal and architectural professionals for further guidance.