







What's new on the website?

- Qualified Allocation Plan
- Annual Review Information
- Annual Project Submission Information
- Certifications, Notifications, & Verifications
- Income and Rent Limit Information

What do you need to provide on Inspection Day?

- Current Rent Roll
- Current Utility Allowance(s)
- Total Number of Units Receiving Rental Assistance (Section 8, HUD, RID, Private Rental Assistance)

What do you need to provide on Inspection Day?

- Total number of Vacant Units
- Move-out Date for the Vacant Units
- Affirmative Marketing Plan with the method of advertising for properties that received HOME funding
- Tenant Services

What do you need to provide on Inspection Day?

- Total Number of MR/MI Households (if applicable)
- A List of the Homeless/Disability Households (if applicable)
- A List of the Handicapped and Sensory Impaired Units (if applicable)

What is Required on a Rent Roll?

- Building Identification Number (BIN)
- Unit Number
- Bedroom Size
- Tenant Name
- Full-Time Student Household

What is Required on a Rent Roll?

- Type of Household
 - MR/MI
 - Disabled
 - Homeless
 - Handicapped

What is Required on a Rent Roll?

- Move-In Date
- # of Tenants at Move-In
- Move-In Income
- 50% or 60% at Move-In

What is Required on a Rent Roll?

- Recert Date
- Number of Tenants at Recert
- Recert Income
- 50% or 60% at Recert

What is Required on a Rent Roll?

- Tenant Paid Rent
- Utility Allowance
- Rental Assistance
- Gross Rent

What is Required on a Rent Roll?

- Type of Rental Assistance
 - Private Rental Assistance
 - Section 8
 - Rural Development
 - HUD

What is Required on a Rent Roll?

- Move-Out Date

Income & Rent Limits

- HUD provides the current income limits at <https://www.huduser.gov/portal/datasets/inrg.html>
- Novogradac Rent & Income Limit Calculator <http://nc.dhsa.uscity.gov/rent/incomecalc/calculator.cdf.asp>

Income & Rent Limits

- Gross Rent Limit is determined by taking the applicable income limit, divide by 12, and then multiply by 30%.
- The applicable income limit is determined by taking 1.5 persons per bedroom size.

Income & Rent Limits

An example from Montgomery County for a One Bedroom Unit on a property placed-in service 4/24/18 and after

- 1 bedroom * 1.5 persons = 1.5 persons
- \$26,460 1- person 60% income
- \$30,240 2-person 60% income
- $\$26,460 + \$30,240 = \$56,700 / 2 = \$28,350$ 1.5 person income
- $\$28,350 / 12 \text{ months} = 2,362.50 * 30\% = \708.75
- \$708.75 is the rent limit for a 1-Bedroom Unit

Income & Rent Limits

- If you have a Housing Credit property which chose to only charge 50% rent you would use the same formula and use the 50% income limit.
- To determine the rent for an efficiency or studio apartment, use the 1-person limit.

Gross Rent

- The gross rent for the Housing Credit program is the tenant paid rent + the utility allowance.
- The gross rent for the HOME program is the tenant paid rent + the utility allowance + rental assistance.

Utility Allowance

- Must be updated each Calendar year.
- Accepted forms of documentation:
 - Cover Sheet from the provider that has the date listed
 - You can write down who and when you spoke with when checking for an update
 - You can print out the website page as long as we can see that it is the current allowance

Utility Allowance

- We do accept the following utility allowance methods:
 - Energy Consumption Model
 - HUD Utility Schedule Model
 - Utility Allowance provided from the utility provider(s)
 - Public Housing Authority

Utility Allowance

If you have a tenant who receives Section 8 rental assistance, you must use the utility allowance from the housing authority that provides the assistance.

Utility Allowance

- For properties where the HOME funds were committed **on or after** August 23, 2013 **must** use one of the following:
 - Local Utility Provider (Alabama Power, etc.)
 - HUD Utility Schedule Model
 - Energy Consumption Model
- For properties where the HOME funds were committed **on or after** August 23, 2013, you **cannot** use the utility allowance from public housing authority (PHA).
- For properties where the HOME funds were committed **before** August 23, 2013, you **can** use the utility allowance approved by AHFA (PHA, property specific, etc.).

Student Certifications

Student Status must be verified annually for any household member age 18 or older.

Student Certifications

If you have a full-time student household, are they eligible?

Student Certifications

- The Housing Credit program defines a full-time student as any individual who has been or will be a full-time student during each of five calendar months during the calendar year. The five months do not have to be consecutive. Kindergarten through 12th grade and institutions of higher education are considered students.
- The HOME program's definition of a student: All students either part-time or full-time at an institution of higher education.

Student Certifications

- The Housing Credit program currently has 5 exceptions
- The HOME program currently has 6 exceptions

Student Certifications

If your property has Housing Credit and HOME funds, do you have to confirm the household meets both the Housing Credit and HOME student rules?

Student Certifications

- Housing Credit Student Self-Certification
- Student Verification (for educational institution)
- HOME Student Self-Certification
- Post Year-15 Student Self-Certification

Tenant Income Certification (TIC)

The TIC must be signed and dated by all tenants 18 years of age and older and a member of management.

Income Verification

- 3rd Party verification is ALWAYS your 1st choice
- If 3rd party verification is not available, then you can use other methods such as pay-stubs, bank statements, etc.
- If pay-stubs are used, then you must use a minimum of 4-6 pay-stubs.

Income Verification

Year-to-Date vs Rate of Pay
Do you use the higher amount?

Child Support Certification

When 3rd party verification is not available for child support, the tenant can complete the Child Support Certification, but it must be notarized.

Asset Verification

- Housing Credit: Assets must be verified from a 3rd party if they total \$5,000 or greater.
- HOME: Assets must be verified from a 3rd party no matter the amount.

Recertification

- 100% low-income property can use the Tenant Income Certification for recertification.
- If your property received HOME funds, you must complete a full recertification in years 6, 12, and 18 of the HOME Affordability Period.
- If the low-income property is not 100%, then you must complete a full recertification.

Effective Date

- On a 100% low-income property, the Effective Date (Move-in Date) stays with the household while the household lives at the property.
- On a Non-100% low-income property, the Effective Date can change if the household transfers to a different building.

Unit Transfer

- A household on a 100% low-income Housing Credit funded property can transfer to any unit on the property
- If the property is not 100% Low-Income and the household is requesting to move to another building, you must move them out of their current unit and requalify them in the new unit
- If your property received HOME funding, you must maintain the property set-aside requirement (check application)

Disabilities/Homeless Election

- This set-aside option was available for properties beginning in 2016. So, check the application to see if your property has this set-aside requirement.
- AHFA created a Disability Self Certification and a Homeless Certification form. Each form is available in the compliance section of the AHFA website.
- If the disabled household is provided from the service provider, then you will get the service provider to sign off on the applicant
- These forms must be completed and placed in the household file.

Disabilities/Homeless Election

- At the initial lease-up, the property must target the unit to the targeted population for 90 days before the unit can be rented to an otherwise eligible household.
- Efforts of locating the target population must be documented.
- A separate waiting list of eligible household(s) must be maintained.
- If there are no eligible household(s) on the waiting list, the owner must notify the service provider and AHFA before renting to an otherwise eligible household.

Tenant Services

- If tenant services are selected on the application, then we check to see if they are offered (sign-up sheets, pictures, etc)
- Check your application to see what services are selected for your property
- If you would like to change to another tenant service, just submit a request to the Compliance Department

Physical Inspection

- We check for the required and extra amenities selected on the application.
- We inspect the building's exterior and interior.
- We inspect 20% of the units chosen randomly or use the Low-Income Housing Credit Minimum Unit Sample Size Reference Chart, whichever is lower.

Physical Inspection

- The units and files inspected do not have to match.
- Vacant Units can be included in the selected 20%.

Physical Inspection

Report any physical issues that could be non-compliance issue or a potential qualified allocation plan point deduction to AHFA before the inspection.

Qualified Allocation Plan (QAP)

At a minimum, check the QAP to see what findings are subject to point deductions. You can access the QAP by going to www.AHFA.com and in the search icon type QAP and then click on Current year Allocation Plan.

Qualified Allocation Plan (QAP)

- It is recommended to have an inspection schedule (monthly, quarterly, etc.).
- If you have questions concerning what is a finding, please refer to the HUD Dictionary of Deficiency Definitions (effective date 8/9/12). You will see most of the listed QAP point deduction findings are considered Level 3 findings.

Qualified Allocation Plan (QAP)

- Point deductions are only applicable to your properties funding year.
 - Fire Extinguishers are required for properties funded 1999 and after.
 - Fire Canisters are required for properties funded 2013 and after.
- The unit must have at least one functioning smoke detector on each level.
- If an insect infestation is visible in the unit (especially in the kitchen or food storage area) it is subject to a point deduction.

Qualified Allocation Plan (QAP)

What has been the issue that has created the most penalty point deductions?
Not sending in the correction(s) to AHFA by the due date.

Amenities

Check the application to make sure you have all the selected extra amenities.
If you have discrepancies there could be a potential point deduction if not corrected.

Amenities

If you discover a discrepancy, you must do one of the following:

- Provide the amenity
- Submit the prior approved change order from AHFA
- Submit a change order with the change order fee
- Submit a request to remove the amenity with a change order fee

Amenities

If needed, email the AHFA compliance department for a copy of the application amenity sheet.

DMS Authority Online

It is best for everyone to register

- The user will have a personal username and password.
- The owner will be able to approve or deny the user for the property.
- If you are using a shared username and password, then it will make it difficult to assist you without ownership approval.

DMS Authority Online

AHFA has instructions on how to use the system at

www.ahfa.com/realty/ahfa/ahfaonline.htm

DMS Authority Online

- The online system must be updated each month to ensure up-to-date information.
- The online system must be finalized each year.
- Before finalizing, make sure all the tenant data has been entered from January 1st through December 31st.

DMS Authority Online

- Your choices tell the system which set of income and rent limits to use.
- Make sure each cell has an answer even if it is 'N/A'.
- Make sure the answers to the income and rent set-aside question are accurate (if the household is within the 50% income or rent range then choose 50%).

DMS Authority Online

- At move-in, make sure to enter the tenant's move-in income in the Move-In and Current Income cells (this allows the tenant's move-in income to flow from year to year).
- Do **not** use negative numbers (if the tenant paid rent is \$-50, then enter zero).

DMS Authority Online

- If importing, you must start from January 1st each time.
- If importing, you must send all the required events no matter the tenant event (move-in, recertify, transfer, or move-out).
- To review the tenant data that has been entered or imported, just go to the 'Export Events' screen.

AHFA Contact Information

Alabama Housing Finance Authority
7460 Halcyon Pointe Drive, Suite 200
Montgomery, AL 36117

Phone: 334-244-9200
Fax: 334-277-1854
Email: MFCompliance@AHFA.COM
