

NORTH CAROLINA

HOUSING

FINANCE

AGENCY

2020

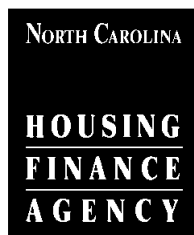
NCHFA Courtesy Training

Presented by NCHFA Staff



NCHFA Courtesy Training Agenda/Table of Contents

Welcome	1
A. Agenda	1
B. Agency Contact List & Staff	2
C. Hot Topics	4
Tax Credit Specific Requirements & State Requirements	11
A. Supportive Services	12
B. Targeting Program	12
C. Key Assistance	13
D. Income Averaging	13
Rent, Fees, and Utility Allowances	17
A. Rents	18
B. Utility Allowances	18
Rental Production Program (RPP)	26
A. HOME Program Requirements	26
B. HOME Lease Requirements	27
C. Home Rent Limits	27
Typical Loan Requirements	28
A. Rent Increase Process	29
B. Reserve Requirements	30
C. Financial Audits	35
D. Insurance Requirements	35
E. RPP Management Documents	37
Compliance Process	40
A. Compliance Process	40
B. Final Report Responses	41
C. File Reviews	42
D. Physical Inspections	49
Affirmative Marketing	65
A. Affirmative Marketing	66
B. Tenant Selection Plan	66
DHHS Targeting Program & Key Assistance	68
A. Targeting Program Eligibility	69
B. Vacancy and Referral	78



Physical Address:
3508 Bush Street
Raleigh, NC 27609-7509

Mailing Address:
PO Box 28066
Raleigh, NC 27611-8066

Web Site:
www.nchfa.com

Asset Management Contact List

Main Agency Telephone Number	(919) 877-5700
Rental Investment Business Group Fax Number	(919) 877-5701
Susan Westbrook, Manager of Rental Assets sewestbrook@nchfa.com	(919) 877-5647

Asset Management and Compliance Teams:

If you have a general or specific question regarding tax credits or an RPP funded property, contact any of the following:

Tanya Burnett Clark, Team Leader	tbclark@nchfa.com	(919) 877-5665
Lisa Alston	lnalston@nchfa.com	(919) 877-5669
Erica Hopkins	elhopkins@nchfa.com	(919) 981-5233
Carlos McLeod	clmcleod@nchfa.com	(919) 877-5639
Theresa McSorley	tamcsorley@nchfa.com	(919) 877-5664
Don Messer	dwmesser@nchfa.com	(919) 981-2567
Keisha Purvis	kppurvis@nchfa.com	(919) 877-5713
Sandy Harris, Supervisor – Rental Subsidy Administration & Activities	ssharris@nchfa.com	(919) 877-5649
Amy Barnes	aebarnes@nchfa.com	(919) 850-2869
Susan Caulder	sccaulder@nchfa.com	(919) 981-2641
Steven James	spjames@nchfa.com	(919) 981-2654
Randa McCauley	rjmccauley@nchfa.com	(919) 981-2691
Dorian Minters	dlminters@nchfa.com	(919) 981-4470
Deborah Simmons	dlsimmons@nchfa.com	(919) 981-4471
Lisa White	lawhite@nchfa.com	(919) 431-2008

If you have a question about the online reporting system (RCRS), contact:
Tanya Clark tbclark@nchfa.com **(919) 877-5665**

If you have questions on RPP rent increases or reserve withdrawals, contact:
Randa McCauley rjmccauley@nchfa.com **(919) 981-2691**

If you have general questions about audited financial statements, contact:
Erica Hopkins elhopkins@nchfa.com **(919) 981-5233**

If you have a question about utility allowances, contact:
Theresa McSorley tamcsorley@nchfa.com **(919) 877-5664**

If you have a question about the KEY Program payments, contact:
Louise Gardner rlgardner@nchfa.com **(919) 877-5663**

If you have questions about our compliance workshop schedule, contact:
Karen Williams kwilliams@nchfa.com **(919) 877-5711**

If you have a general or specific question about a Supportive Housing property or shelter, contact:
Keisha Purvis kppurvis@nchfa.com **(919) 877-5713**

If you have general questions about physical inspections, contact:
Carlos McLeod clmcleod@nchfa.com **(919) 877-5639**

If you have a question regarding accessible routes for playgrounds or common areas, contact:
Russ Griffin rsgriffin@nchfa.com **(919) 877-5643**
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Welcome



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Hot Topics & Reminders



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COVID-19

Information and Resources available on our website

www.nchfa.com

Check often for updates



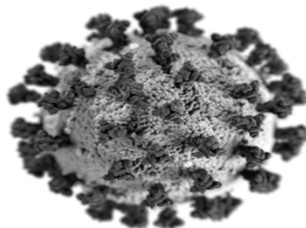
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About Us Home Buyers Homeowners Renters Home Ownership Partners Rental Housing Partners

- Mission and Values
- COVID-19 Information and Resources
- Hurricane Resources
- Leadership
- Housing Partnership
- Our Financing
- Investments and Impact
- Research, Reporting and Policy
- Housing North Carolina Awards

COVID-19 Resources



The North Carolina Housing Finance Agency is committed to the health and well-being of all North Carolinians and has assembled a list of resources to help residents navigate the COVID-19/Coronavirus situation. The Agency will update this page as new resources become available.

> Español

Recent News

Agency Update
May 11, 2020

\$4.5 Million in Funding Awarded for
Repairs, Accessibility Modifications for
Low-Income Citizens
April 14, 2020



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Additional Resources

NCHFA Courtesy Training Resources



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- Income and Asset Calculation Examples
- The Life of the Vacancy and Referral System
- RCRS Management Company Resources
- Fair Housing Overview
- Overview of Resources Available from NCHFA
- Acronym Cheat Sheet
- HUD Handbook – Chapter 5: Determining Income and Calculating Rent
- HUD Handbook – Appendix 3: Acceptable Forms and Verifications



2019 Annual Owner's Certification (AOC)

- Due February 10, 2020
- If not uploaded into RCRS by February 10, 2020, the property is in noncompliance, and subject to 8823

Home Property List Property Menu ▾

9002710 -> Windchase Apartments -> Documents

AOC/Owner Affidavit Documents

	Description	Status	Date Submitted
View	2019 AOC	Accepted	02/03/2020
View	2018 AOC	Accepted	02/05/2019
View	2017 AOC	Accepted	02/09/2018
View	2016 AOC	Accepted	02/09/2017
View	2015 AOC	Accepted	02/03/2016

Page size: 5 8 items in 2 pages



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Reminder! Approved Management Company Status & Noncompliance



The management agent can't have any open noncompliance for any property in their portfolio unless there is an Agency-approved action plan to address the issue

NCHFA Rent Approval Policy Update



Any Management Agent found to have implemented a rent increase on an existing property without the required Agency approval may be disallowed from serving as a management agent for an application

File Monitoring Change Work Force Housing Loan Program

Work Force Housing Loan Program (STC)

Files – Every year (*NEW –Effective 1/1/2020– Frequency Changed*)

Physicals – Every year (*No Change*)



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8609 Project



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- Email sent on 10/17/2019 requesting 8609s with Part II completed and signed by the owner uploaded to the Documents tab for each LIHTC (tax credit) property in RCRS.
- This will help the Agency prepare for the monitoring requirements that must be in effect no later than 1/1/2021
- Deadline to upload the 8609s is 6/30/2020
- Having the applicable elections reported by the owner to the IRS will enable us to use the smallest valid samples size and stop reporting to the IRS at the earliest possible date
- If you fail to upload the 8609s with Part II complete, we will monitor 100% of the property and report noncompliance to the IRS for the longest length of time allowed based on the placed in service date



Revised Forms/Documents



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About Us Home Buyers

Program Compliance

Policies and
Procedures

Income Limits

Forms and Resources

LOW-INCOME HOUSING TAX CREDIT

Required Forms

Annual Student Certification

Approval to Change Management

Employment Verification



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- Revised forms effective 2/1/2020, available on the Agency website
- Move-ins 2/1/2020 and there after should use the new forms
- Recertifications effective 6/1/2020 and there after should use the new forms

Revised documents include:

- Tenant Income Certification (TIC) *updated on Agency website; RCRS generate form will be updated 1/1/2021*
- Under \$5,000 Asset Verification
- Employment Verification
- Zero Income Affidavit
- Student Status/Financial Aid Verification
- Annual Student Certification
- Physical Inspection Notification Letters & Grey Areas
 - *look for revised copies generated in RCRS when Physical Inspection Notification Letters generated*



Inspection Protocol Change – NSPIRE



- UPCS (Uniform Physical Conditions Standards) is changing to NSPIRE (National Standards for the Physical Inspection of Real Estate)
- Prioritizes health, safety, and functional defects over those of appearance
- Focus is on the areas that impact residents
- Three inspectable areas instead of five
- Implemented timeline – 2021 or later
- More information to come

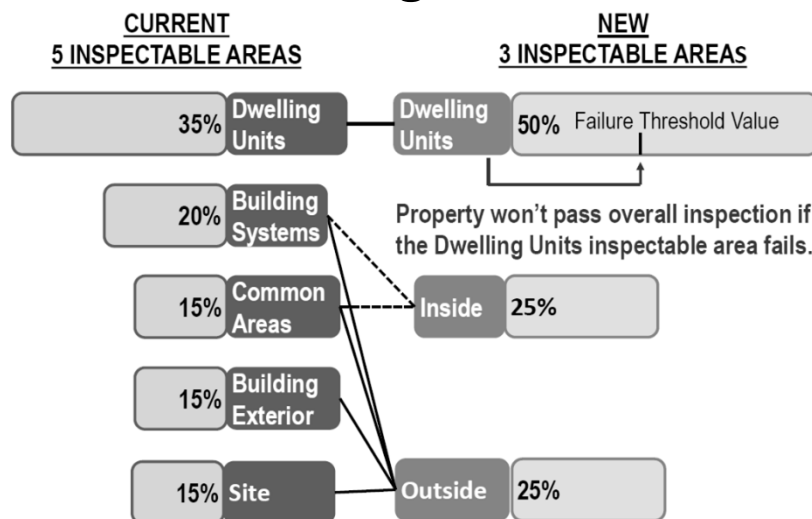


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Inspection Protocol Change – NSPIRE

- 5 Inspectable areas will feed into the 3 new inspectable areas
- Simplified, intuitive approach based on the inspectable item's physical location



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Mandatory Tax Credit Lease Addendum

TENANT: _____ LANDLORD: _____ UNIT NO.: _____

LIHTC LEASE ADDENDUM

This lease addendum adds the following paragraphs to the lease between the tenant and landlord referred to above.

Conflict with Other Provisions of the Lease. In case of any conflict between the provisions of this addendum and other sections of the lease, or other lease addendums, the provisions of this addendum shall prevail, with the exception of the following:

- If a property is regulated by HUD and using the HUD model lease, the HUD model Lease shall prevail.
- If a property is regulated by USDA and using the lease mandated by RD, the RD lease shall prevail.
- If a property is subject to HUD HOME regulations, the HOME lease addendum shall prevail.

- New leases executed on or after 1/1/2019, must include the addendum
- Lease renewals that occur on or after 1/1/2019, must include the addendum.
- Actual lease does not need to be approved because the provisions of the required addendum indicate what takes priority under the law.
- Provisions made to allow HUD or RD lease to prevail in areas of conflict.
- If executed at 2019 or 2020 recertification be sure to upload for units selected for the file review if applicable



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HOME Lease Addendum

TENANT: _____ LANDLORD: _____ UNIT NO: _____

HOME LEASE ADDENDUM

This lease addendum adds the following paragraphs to the Lease between the Tenant and Landlord referred to above.

- A. Purpose of the Addendum.** The lease for the above-referenced unit is being amended to include the provisions of this addendum because the apartment project has received funding under the federal HOME Investment Partnerships Program ("HOME Program").
- B. Conflict with Other Provisions of the Lease.** In case of any conflict between the provisions of this Addendum and other sections of the Lease, the provisions of this Addendum shall prevail.
- C. Term of Lease.** Notwithstanding anything herein to the contrary, the initial Lease term shall be for a period of not less than 12 months. Subsequent lease terms shall be for a period of no less than 12 months, unless the Landlord and Tenant mutually agree in writing to a shorter term, but in no event, can the Lease term be less than 30 days.
- D. Income Eligibility.** The Landlord has the right to recertify the Tenant's income on an annual basis to verify Tenant's continuing eligibility to reside in a HOME unit. The Tenant's failure to cooperate in the income recertification process will be a violation of the lease. Deliberately providing false information can result in the termination of the Lease.



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- Released 6/1/2019, by announcement in RCRS
- New leases executed on or after 6/1/2019, must include the addendum
- Lease renewals that occur on or after 6/1/2019, must include the addendum.
- Actual lease does not need to be approved because the provisions of the required addendum indicate what takes priority under law, the lease itself or the addendum
- Our attorney drafted this lease addendum and we are confident that it complies with the HOME regulations
- If a property has Tax Credits and Home from the NCHFA, then the property must use the Tax Credit Lease Addendum and the HOME Lease Addendum
- If executed at 2019 or 2020 recertification be sure to upload for units selected for the file review if applicable



VAWA Requirements



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- HUD 5381 – Model Emergency Transfer Plan
 - Requirement - posted publicly & available upon request
- HUD 5380 - Notice of Occupancy Rights under VAWA
 - Requirement - provided to existing tenants, applicants placed on waiting list and denied applicants; provided again with any notice of eviction or termination
- HUD 5382 – Certification of Domestic Violence, Dating Violence, Sexual Assault or Stalking
 - Requirement – same as HUD 5380
- HUD 5383 – Emergency Transfer Request for Certain Victims of Domestic Violence, Dating Violence, Sexual Assault or Stalking
- Must utilize VAWA lease addendum describing specific protections for VAWA victims or contain VAWA language in main lease
- Do not upload VAWA forms in RCRS, they will be reviewed at the physical inspections
- VAWA and other HUD forms can be found on the HUD website in English, Spanish and other languages as needed.



Loss of Key Payment – Timely Submissions

TENANT: John Jaso KEY LEASE ADDENDUM
 LANDLORD: LA
 This lease addendum adds the following:
 Key Program FBA: Rent and Subsidy Calculation Worksheet
 for use with 2018 State-Mandated for Assisted Income & Rent Limits
 Unit Number: 7 Property Name: Lovely Center Agency #: 9008173
 at Name (Last, First (MI): Asstoy, Luana
 Signs of Shift for tenant with Letter of Referral: 7 9 2 16
 Number of Bedrooms in Unit: 1 Monthly Payment Standard (from list below): \$ 590
 Monthly Payment Standard (approved rent for unit)
 SRO: \$350 Two (2) Bedrooms: \$620
 Efficiency: \$400 Three (3) Bedrooms: \$710
 One (1) Bedroom: \$550 Four (4) Bedrooms: \$790
 Tenant's Gross Annual Income (from tenant income cert): \$ 9858
 Median Income Limit based on household size: \$ 21,000
 move-in, if income on line 2 is greater than line 3, STOP HERE.
 household may not be eligible for Key Assistance. (Contact LaShonda Bryant, NC DHHS, at 919-817-3075.)
 varies with HUD SHIP Capital or Operating Assistance or properties where all units are HOME
 skip #5 & #6 and enter the tenant payment from the HUD calculation worksheet directly on #7.
 others should proceed to #5.
 Gross Monthly Income (line 2 divided by 12): \$ 1471
 Number of Household Members: 1
 number of household members above include a Live-In Aide? yes X no

Household Size	Percent of Income (Tenant pays all utilities)	Percent of Income (Owner pays all utilities)
One (1) Bedroom	minimum of 1 persons 25%	30%
Two (2) Bedrooms	minimum of 2 persons ** 20%	30%
Three (3) Bedrooms	minimum of 3 persons 15%	30%
Four (4) Bedrooms	minimum of 4 persons 10%	30%

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- New Policy Effective January 1, 2019
- DHHS will no longer pay Key Subsidy for unit events that exceed 12 months
- Example: If the requisition is submitted January 2020 for 14 months of Key Payments (from November 2018 – December 2019), the Management Company will not receive payment for November or December 2018 because these months are outside of the 12 month payment window



Notes



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Tax Credit Specific Requirements & State Requirements



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Supportive Services

- If a supportive Services Plan was originally required, the property must continue to follow the approved services plan
- If the plan is not relevant or needs to be updated to reflect current activities, submit a copy of the services plan to NCHFA for approval
- Documentation must be maintained to show compliance with the plan

Examples include:

- Services notebook
- Flyers
- Sign-in sheets
- Calendars

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What is the Targeting Program?

- Partnership between DHHS, NCHFA, and local communities
- Annually, 10% of newly funded Low Income Housing Credit (LIHC) units targeted to person with disabilities
- Targeting Unit Agreements (TUA)
- Persons must be referred by a service provider who has made a commitment to participate
- Housing with access to supports and services (on-site services not required)



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Key Assistance

- State funded operating assistance to subsidize rent of tenants referred by DHHS through the Targeting Program
- Limited to households headed by persons with disabilities, verified by income based upon disability (SSI, SSDI, etc.)
- Key Payment standard set by NCHFA and DHHS
- Owners must sign Agreement of Participation

Property Management responsible for:

- Verifying eligibility
- Sending NCHFA monthly Key requisitions via RCRS
- Transition to Section 8 voucher, if available



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Income Averaging

- Only allowed for allocations in 2019 and forward!
- All requirements are spelled out in the Qualified Allocation Plan (QAP)

The following slides contain the basics:



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Income Averaging

Applicants electing to use income averaging must comply with the following:

- The income average for the property cannot exceed 60%,
- The income average for any bedroom type cannot exceed 60%,
- Market rate units are prohibited,
- For projects with more than one building, Owners must select each building is part of a multiple building set-aside on line 8b in part II of IRS Form 8609.



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Income Averaging

- No project can have more than four (4) income bands consisting of: 20%, 30%, 40%, 50%, 60%, 70%, 80% area median income.
- Any project utilizing income averaging:
 - Must pay a monitoring fee of \$1,200 per unit in 2019
(\$1,500 per unit in 2020)
 - Includes all units, qualified, unrestricted, and employee
 - Must be paid prior to issuance of the project's IRS Form 8609.



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Income Averaging Compliance Monitoring Requirements

1. **Designations must FLOAT:** Income and rent designations are required to float to maintain compliance with set-asides specified in the application.



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Income Averaging Compliance Monitoring Requirements

- 2. All tenants must be recertified annually:** All households must be certified annually in accordance with B(1)(vi) to confirm the appropriate unit set-aside. No exception is allowed for one hundred percent (100%) low income projects using Average Income as the minimum set-aside. If household income has increased to the next set-aside, the next available unit of comparable or smaller size must be rented to a household at the lower set-aside until the appropriate unit mix is restored. If household income decreases, it is acceptable to move the unit to the lower set-aside if a slot is available, but this is not mandatory.



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Income Averaging Compliance Monitoring Requirements

- 3. Annual Tenant File Reviews by NCHFA:** Low-income certification review frequency under C(2)(ii) will be increased to annual review to monitor compliance with this set-aside.
- 4. Lower Income & Rent Limits:** Lower set-asides must follow the Multifamily Tax Subsidy Program (MTSP) income and rent limits as published by HUD annually. Any units where income or rent exceeds the limit for the set-aside specified on the low-income certification will be reported to the IRS.



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Income Averaging Compliance Monitoring Requirements

5. **Noncompliance reported to IRS:** As part of the annual review of the certification required under C(1), the Agency will test compliance with the Average Income requirements. Units out of compliance at year end, regardless of whether attributable to a low-income certification issue or a physical inspection issue, will be removed from the applicable fraction to determine whether the Average Income is acceptable and meets program requirements. If the minimum number of compliant units falls below forty percent (40%), or if the average income designation of compliant units is above sixty percent (60%) Area Median Income (AMI), the entire project will fail to meet the required minimum set-aside and will be reported to the IRS.



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Rent, Fees, and Utility Allowances



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Rents

- With RPP loans and other agency financing, NCHFA must approve rent increases
- Rents are generally set under the applicable rent limits
- Rents charged cannot exceed the NCHFA approved amounts even if the rental charged complies with the rent limit

Instructions for Rent Increase Submission in RCRS

Posted: 03/07/2014 12:00:00 AM

****If this is your first request via RCRS, you will need to enter your current approved rents (without entering the Budget items) and submit via RCRS. We will approve and then you can submit your Rent Increase Request.**

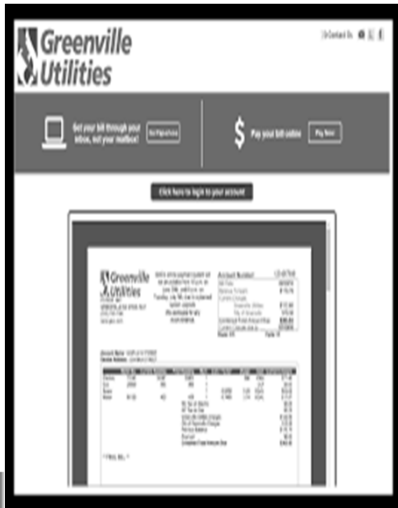
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Email rjmccauley@nchfa.com for assistance/questions



Utility Allowances



- The utility allowance includes all utilities paid directly by the tenant and not by or through the owner
- Owner cannot bill tenants for utilities based on unit size, number of HH members, or other general allocations where conservation efforts by HH do not reduce the bill
- The owner can separately bill the tenant for utility if units are sub-metered

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Utility Allowances

Requirements for all methodologies



United States Department of Agriculture

NOTICE OF APPROVED RENT (OCCUPANCY CHARGE) AND UTILITY ALLOWANCE CHANGE

Dear Borrower:

November 28, 2018

You are hereby notified that Rural Development has reviewed the request for a change in shelter costs for **Ukco Bluffs Apartments**, and considered all justifications provided by project management (and comments provided by the tenants). Rural Development has approved the following rent (occupancy charge) and/or utility allowance rates listed below. The changes for all units will become effective on **January 1, 2019** or later effective date in accordance with stat or local laws. The change is needed for the following reasons:

Changes in operating, maintenance and administrative expenses.

THE APPROVED CHANGES ARE AS FOLLOWS:

	Present Basic Rent	Present Note Rent	Proposed Basic Rent	Proposed Note Rent	Amount Changed Basic	Amount Changed Note
1 BR	\$442	\$472	\$457	\$487	\$15	\$15
2 BR	\$526	\$546	\$541	\$561	\$15	\$15
2 BR TH	\$551	\$581	\$566	\$596	\$15	\$15

The approved utility allowance changes are as follows:

	Present Utility Allowance	Proposed Utility Allowance	Amount Changed
1 BR	\$72	\$72	\$0
2 BR	\$97	\$97	\$0
2 BR TH	\$97	\$97	\$0

Should you have any questions or concerns, you may contact Rural Development. The Rural Development Servicing Office address is:

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- Utility Allowance must be updated annually
- With each request, all utility allowance types must be uploaded into RCRS with a cover letter indicating the utility type and effective date
- NCHFA staff will enter the UA for use by property
- We do not have the ability to enter different UA effective dates based on type
- For assistance contact Theresa McSorely at tamcsorely@nchfa.com



Utility Allowances



NCHFA reviews, evaluates, approves and executes the Utility Allowance Certification within 30 days of the receipt of the information



Requests can be submitted at any time during the year



Rent increases will not be approved without proper Utility Allowance Certification



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Utility Allowances

- UA regulation can be found in 1.42-10
<http://www.irs.gov/pub/irs-drip/n-09-44.pdf>
- NCHFA Guidance can be found at the www.nchfa.com under policies and procedures
- Owners are not required to update, or implement utility allowances until the building has achieved 90% occupancy for a 90 day period, or the end of the first year of the credit period (whichever is first)
- UA changes prior to the final cost cert must be approved by the development underwriters



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Utility Allowances

- Owners are allowed to switch utility allowance methodologies from year to year
- Owners must pay all cost incurred in obtaining and providing the estimates to residents and the Agency
- With the exception of HUD regulated and RHS buildings, owners are allowed to mix and match the options
 - For example, the PHA utility allowance for water and sewer can be used with the Agency estimate for electricity
- UA estimates and supporting documentation must be retained in compliance with the program's record keeping provisions



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Utility Allowance Methodologies

1. RHS Utility Allowance 1.42-10(b)(1) & (2)

- If the building or its tenants receive assistance from RHS, the applicable utility allowance for all rent-restricted units in the building is the applicable RHS utility allowance
- No fee

2. HUD Utility Allowance 1.42-10(b)(3)

- If the rents and utility allowance are reviewed by HUD on a annual basis (HUD regulated buildings), the applicable utility allowance is the applicable HUD utility allowance (Project-Based Section 8)
- The HUD UA is utilized for the entire building
- No fee



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Utility Allowance Methodologies

3. Public Housing Authority (PHA) 1.42-10(b)(4)(i) & (ii)(A)

- The local PHA allowance may be used for all units
- Must use PHA allowance for any unit occupied by a voucher holder
- Changes in the PHA utility allowance must be implemented within 90 days of the effective date
- PHA utility allowances that have not changed from year to year must provide documentation that UA has not changed
- RCRS will not allow two PHA utility allowances for one property
- Upload all applicable schedules
- Largest of the two PHA utility allowances will be entered as PHA utility allowance for the property
- No fee



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Utility Allowance Methodologies

4. Written Local Estimate 1.42-10(b)(4)(ii)(B)

- Any interested party may obtain, estimate must be available to residents
- Request must be sent in writing for the local utility provider
- Estimated cost of the utility for a unit of similar size and construction in the geographic area
- Estimate should include all component service charges
- \$150 fee

5. HUD Utility Schedule Model 1.42(b)(4)(ii)(D)

- Developed by HUD for tax credit properties
- Must obtain utility rates from utility companies to input into the model
- www.huduser.org/datasets/lihtc.html
- \$150 fee



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Utility Allowance Methodologies

6. Energy Conservation Model 1.42(b)(4)(ii)€

- Owners can calculate allowance using an energy, water, and sewer consumption and analysis model
- The consumption estimates must be calculated by a properly licensed engineer or qualified professional approved by the Agency
- \$150 fee

What documentation is required by NCHFA for this method?

- Properly licensed engineer – certification only, no backup documentation required
- Qualified professional – all backup used to calculate allowance must be submitted. If back up documentation does not meet requirements, UA will not be approved. (i.e., Duke Power letter is not sufficient for Qualified Professional)



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Firms Approved by NCHFA

- Licensed engineer: 2rw Consultants UApr at <http://uapro.2rw.biz> or 434-296-2116
- Licensed engineer: Southern Energy Management at www.southern-energy.com or 919-836-0330
- Licensed engineer: Matern Professional Engineering, Inc. at www.matern.net or 407-740-5020
- Licensed engineer: Energy Consulting, Inc. at <http://ecialabama.com> or 205-980-9091
- (Note: Utility allowances provided by these 4 companies are accepted without any additional backup documentation)



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Firms Approved by NCHFA

- Qualified Professional – Zeffert & Associates at <https://www.zeffert.com/site/index.php/services/utility-allowance-calculations> or 800-820-4079
- Qualified Professional - Effect Energy, Inc at www.effectenergy.us or 919-306-1230
- Qualified Professional – Home Energy & Comfort Solutions at <http://homeenergyandcomfortsolutions.com> or 859-983-7382
- Qualified Professional – Environmental Solutions Group LLC at <http://www.go-esg.com> or 336-373-1538
- Qualified Professional – Performance Point, LLC at <http://www.ThePerformancePoint.com> or 704-563-1030

Note: If one of these 5 firms are chosen, they will be expected to provide back-up documentation to support their calculation method. We reserve the right to request additional documentation if we are not satisfied with their work



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Utility Allowance Methodologies

7. Agency Estimate 1.42-10(b)(4)(ii)(C)

- Actual utility company usage data and rates from a sample of occupied units to establish the allowance
- Sample units must be geographically dispersed across the property
- \$150 fee

Must provide information required of NCHFA Utility allowance policy including:

- Consumption data for at least 25% of each unit type (bedroom size) or a minimum of 5 units of each type, whichever is greater
- Consumption history must be for 12 months of continuously occupied units of each bedroom size
- Months where the unit is vacant for more than 2 weeks will not be included
- Copies of actual tenant billing records are acceptable



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Utility Allowance Methodologies

- Consumption history must be entered into Agency Estimate Spreadsheet, which can be found on our website, www.nchfa.com
- Agency Estimate Spreadsheet will calculate the UA average for each bedroom size and utility type and print a Certification
- The Certification is signed by the person compiling the information. The owner (GP) is not required to sign
- If the utility company computes the average using requirements required by NCHFA for properties using consumption history, this will be accepted
- Under no circumstances will averages be accepted if the minimum sample size is not provided or if the average is computed on less than 12 months (i.e. Duke Power letter with 3 units)



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Utility Allowance Methodologies

- Certification must be submitted to the Agency within 60 days of the end of the 12 month period used to calculate the allowance
- Data cannot be more than 60 days old
- Owner must upload via RCRS as a pdf:
 - Agency Estimate Spreadsheet
 - Certification signed by the management company only
 - PHA Utility Allowance
 - All backup documentation, i.e. utility bills or consumption records
 - If file is too large, send backup documentation via mail along with cover letter and any applicable fee



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Notes



Rental Production Program (RPP)



HOME Program Requirements



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HOME Lease Requirements

NCHFA's HOME Lease Addendum is **REQUIRED**, regardless of lease for properties with NCHFA's HOME funds.

REMINDERS:

- NC Real Estate Law requires all leases to be drafted by an attorney because a lease is a legal contract. The lease may contain blanks, such as for the tenant name and rental rate, that are filled in by management.
- NCHFA requires HOME units to “float” throughout the property and does not allow “fixed” HOME units.
- If one HOME unit at property, must use the HOME lease for all units.



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HOME Rent Limits

If the HOME funds are issued by NCHFA, the maximum allowable rent is the rent approved in writing by the Agency.

Utility allowance changes must be approved by NCHFA. If UA increases cause HOME rent limits to be exceeded, rent will likely have to be decreased.

PHA UA must be used for LIHC households with Section 8 vouchers. Although PHA UA is used on the TIC, we use the property's approved UA to determine HOME compliance



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Typical Loan Requirements

Requirements



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Rent Increase Process

What do we look for?

- Reasonable annual increases of \$15 or less
- Increases of more than \$15 must be justified
- Even if a larger increase is justified, we may limit the increase for in-place tenants unless they receive rental assistance
- We make sure that all approved rents are below the applicable set-asides in place for the property
- We use a standard vacancy rate of 7% regardless of actual vacancy rate
- We compare the budget submitted to the actual expenses documented in the most recent audited financial
- We ensure the most recent years audited financials have been submitted via RCRS



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Rent Increase Process

- Rent increases must be approved by the Agency
- Submit annual request for rent increases, at least 60 days prior to expected effective date
- Current utility allowance must be approved prior to submission of rent increase (if UA is more than 9 months old, we may require an update)
- Increases must be submitted in RCRS after loan closing
- Before loan closing, submit to Development Staff
- If you have not submitted a request in RCRS, you will need to enter your current approved rents and submit for approval
- Once we approve your current rents, you can then submit the rent increase via RCRS



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What do we look for?

- We disallow any fees being paid to the investor (such as asset management fees, syndicator service fee, etc.) even though this is a cost of doing business
- Once all budget adjustments are made, we look for a 1.15 debt coverage ratio
- If the debt coverage ratio is more than 1.15, we then look at projected cash flow
- If projected cash flow is less than \$500 per unit per year (PUPY), we may approve the increase
- If more than \$500 PUPY, we will either decrease or deny the increase



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Reserve Requirements

Typical Reserve Accounts:

- Rent-up Reserve
- Replacement reserve
- Operating Reserve

Effective Immediately:

- The most recent years audited financials must be submitted via RCRS prior to reserve request approvals
- Submit approval request for RPP properties through RCRS
- Once the process has been refined, we will ask SHDP and other Agency loans that require Agency approval to use the new process.
- Instructions can be found at: <https://www.nchfa.com/rental-housing-partners/rental-owners-managers/forms-and-resources>
- Contact Randa McCauley with questions at: rjmccauley@nchfa.com



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Reserve Requirements Rent-Up Reserve Account

Rent-up Reserve Account

- Funded prior to closing
- Used to cover operating expenses during the leasing phase
- Withdrawals do not require NCHFA approval
- Any funds remaining in the account after rent-up must be deposited into the Replacement Reserve Account



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Reserve Requirements Replacement Reserve Account

- Funded by monthly installments after closing
- Used for replacement of capital items
- Withdrawals require NCHFA approval
- Typically we require \$250 per unit per year for new construction and \$350 (PUPY) for rehabs, with deposits escalating by 4% per year
- This is not enough to fund long term needs of the property



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Reserve Requirements Replacement Reserve Account

To request a withdrawal from the Replacement Reserve Account –
submit a letter with the request, along with:

- The most recent reserve bank statements
- The most recent trail balance
- Invoices dated less than 12 months **OR** 2-3 bids for the work. Bids should be similar in scope. You are not required to accept the lowest bid, but you must explain your choice if it is not the lowest
- Routine replacement items (such as carpet/flooring) may be submitted quarterly or annually



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Reserve Requirements Replacement Reserve Account

Typical problems with withdrawal request:

- Phase I & II must be treated as separate properties, not as a single property, Please divide expenses appropriately
- We do not allow withdrawals simply because you are “over-budget” in a given area; there must be a real need
- Please do an Excel spreadsheet for large requests
- Please do not submit multiple small request in a short time frame; instead, hold and submit one larger request
- Please do not submit if invoice is over one year old



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Reserve Requirements Replacement Reserve Account

Policy Effective 10/1/2011

- Minimum balance required in the Replacement Reserve Account = 24 months of the required deposits
- If balance is less than required amount, withdrawals will not be allowed, even if the item requested is an eligible reserve item. Exceptions may be made on a case-by-case basis for properties in extreme adverse financial situations



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Reserve Requirements Replacement Reserve Account

Items we typically approve for withdrawal:

- Appliances
- Roof replacements
- Exterior painting
- Paving or seal coating parking lots (not striping only)
- Carpet/Flooring replacement
- HVAC Replacement
- Mowers & equipment
- Office computer, within reason



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Reserve Requirements Replacement Reserve Account

Items **NOT** typically approve for withdrawal:

- Interior painting
- Blinds
- Appliance repairs
- Replacement of component parts (such as fan motors or A/C compressor)
- Bedbug or other pest control treatments
- Landscaping material or services
- Pressure washing
- Items that should be covered by insurance



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Reserve Requirements Operating Reserve Account

- Funded prior to loan closing
- Used for operating deficits during times of economic hardship, such as high vacancies
- Withdrawals require NCHFA approval
- Account must be restored to required balance prior to any distributions or payments to owners or investors

To request a withdrawal from Operating Reserve Account, submit a letter explain the request, along with:

- The most recent reserve bank statement
- The most recent trial balance, and
- Proof or detailed explanation of the operating deficit



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Financial Audits

- Refer to announcements in RCRS for instructions on entering audit information in RCRS
- Contact Erica Hopkins if you have questions, elhopkins@nchfa.com

Requirements:

- Must be prepared in comparative format, annually
- Data entered in RCRS must be from the audited financials statement (not year-end management numbers)
- Must be submitted through RCRS no later than 90 days after the close of the property's fiscal year (Due April 1 for most properties)
- Must contain a written response to any audit findings or identified material weaknesses in internal controls
- Remember to include accrued - not yet paid fees (such as asset management, incentive management and owner distributions)



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Insurance Requirements

Required Insurance

- Property (Hazard)
- General Liability
- Workers Compensation
- Fidelity Bond
- Flood (if applicable)



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Property (Hazard) Requirements

- Fire & extended coverage
- NCHFA named as mortgagee & loss payee
North Carolina Housing Finance Agency, ISOA, ATIMA
PO Box 28066, Raleigh, NC 27611-8066
- Coverage equal to the amount of the loan
- Coverage maintained throughout loan term
- Required form: Acord 28



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General Liability Requirements

Comprehensive liability insurance required to cover claims for personal injury, including:

- Bodily injury
- Death on property
- Damage occurring on or in premises

- Required form: Acord 25



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Workers Compensation/Fidelity Bond

Workers Compensation

Fidelity Bond

- Provides protection insure against loss of money, securities, and properties through any criminal or dishonest acts committed by any employee
- Position bond held by management company
- Amount equal to three months cash flow
- Maximum deductible is \$10,000 but NCHFA require smaller deductible if issues of internal controls are noted in audit
- Required form: Acord 25



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RPP Management Document Approval

NCHFA Lease Approval

- Required prior to loan closing
- Upload lease along with appropriate lease addendums in RCRS
 - TC Lease Addendum
 - HOME Lease Addendum
- Both addendums must be completed if both funding sources are applicable
- NCHFA will not verify/review the actual lease going since the addendums are required and cover Agency requirements
- We still encourage you to have your lease reviewed by an attorney



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RPP Management Document Approval

Affirmative Housing Marketing Plan (AFHMP)

- Required prior to loan closing
- Upload via RCRS
- Be sure to include the applicable worksheets and other supporting documentation as required by the plan instructions

Management Plan

- Required prior to loan closing
- Upload via RCRS



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RPP Management Document Approval

Tenant Selectin Plan (TSP)

- Required prior to loan closing
- Upload via RCRS (include checklist)
- Refer to Agency website for current requirement and important dates

Management Plan

- Required prior to closing
- Upload via RCRS



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RPP Management Document Approval

Tenant Participation Plan

- Only required if CHDO
- Required prior to loan closing
- Refer to agency website for current requirements/instructions
- Email to ssharris@nchfa.com

Grievance Procedures

- Only required if CHDO
- Required prior to loan closing
- Refer to agency website for current requirements/instructions
- Email to ssharris@nchfa.com



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Notes



Compliance Process



File Reviews

Physical Inspections



Compliance Process

Periodic monitoring reviews are required of housing programs administered by NCHFA

Monitoring reviews are conducted to confirm the project meets:

- Rent and income restrictions
- Physical conditions standards
- Other program restrictions



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Compliance Process

File Review/Physical Inspection Process:

- Rough schedule by email (make sure your contacts are updated in RCRS)
- Notification Letter uploaded in RCRS (site staff should receive a copy)
- Review/inspection completed
- Compliance Results Letter uploaded in RCRS
- Owner Response uploaded in RCRS (if applicable)
- Final Report uploaded in RCRS (if applicable)
- 8823 issued (if applicable)



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Final Report Responses



Final report responses for File Review and Physical Inspection Noncompliance:

- What do I do during the 14-day period?
- Do I have to respond?

File Reviews

- NCHFA staff will review at least 20% of the low income units (10% if monitored annually) *Reminder: possible sample size change in 2021*
- If necessary, additional files will be requested and reviewed
- Files are uploaded in RCRS
- Management has 14 calendar days to review/submit the requested files (Unit events and move-in documents should be uploaded within 30 days of the unit event in RCRS to avoid noncompliance. Recert unit events should be entered in RCRS within 30 days of the unit event, documents only uploaded if requested for a file review, unless the household receives KEY assistance)

True and Accurate as of...

Is this an acceptable correction?



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Top 10 File Review Noncompliance Deficiencies



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Top 10 File Review Noncompliance Deficiencies

#1 RCRS Does not match signed and uploaded TIC (income, rent and subsidy)

Enter Column (H) Total If Over \$ 5,000		Totals:		250.00	0.00
Passbook Rate					
X 0.06 =		(J) Imputed Income		0.00	
Enter the greater of the total of column (I), or (J) Imputed Income		Total Income from Assets (K)		0.00	
(L) Total Annual Household Income from all Sources [Add (E) + (K)]				35,686.32	

Household Certification & Signatures

Tenants					Add Tenant
	Name	Household Relationship	SSN	DOB	
> Delete Edit		Head of household	9484	07/26/1958	
> Delete Edit		Spouse	5563	12/01/1965	

Income						Add Income
	Tenant	Type	Verification Source	Annual Amount	Details	
> Delete Edit		Social Security Pensions	Other	\$3,586	\$3,586 Annual	
				\$3,586		

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Top 10 File Review Noncompliance Deficiencies

#2 Move-in date entered in RCRS does not match documents

Unit Event Summary		Documents	Income Cert	Edit Unit Event
Event Type:	Move In			
Event Date:	06/11/2019			
Tenant Type:	Section 8			
Housing Assistance Type:	Section 8 Project Based assistance			
DHHS Targeting:	No			
Housing Assistance:	\$193			
Tenant Requirements:	Tenant Rent: \$505 Utility Allowance: \$92 Mandatory Fees: \$0 Total: \$597			

<input checked="" type="checkbox"/> Initial Certification <input type="checkbox"/> Recertification <input type="checkbox"/> Other:		(MM/DD/YYYY) Effective Date: 07/01/19 Move-in Date: 07/14/19
--	--	--

Part I - Development Data			
Property Name:	County:	Pitt	EIN #:
Address:	Unit Number: 14	# of Bedrooms: 3	

Part II - Household Composition	
---------------------------------	--

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Top 10 File Review Noncompliance Deficiencies

#3 All documents not uploaded

WHAT'S MISSING?

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Top 10 File Review Noncompliance Deficiencies

#4 Utility Allowance not updated timely

SHOW DETAILS

	Building	Unit	Description	Corrective Action	Finding Type	Finding Status	Date Noncompliance	Date Corrected	Reportable
	No Building Selected	No Unit Selected	The Approved Utility Allowance (s) on file are more than 12 months old. The PHA Utility Allowance expired on 1/1/2019.	Provide documentation of the Utility Allowance currently in effect at the property. All proposed utility allowance changes must be submitted in RCRS. If the method requires Agency approval, the appropriate fee must also be submitted. HUD, RD or PHA approved utility allowances do not require Agency approval; all others do. Additional information regarding Utility Allowance policy can be found at http://www.nchfa.com/Rental/Policyprocedures.aspx or contact Tanya Clark at (919) 877-5665.	Compliance Issue	Corrected	01/02/2019	05/08/2019	Reportable: 11m

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Top 10 File Review Noncompliance Deficiencies

#5 Documents not properly scanned or for wrong household

Tenants				
Name	Household Relationship	SSN	DOB	
Roddy [REDACTED]	Head of household	9208	03/20/1970	

Income				
Tenant	Type	Verification Source	Annual Amount	Details
Roddy [REDACTED]	Other Income	Other	\$23,400	\$23,400 Annual

Assets				
Tenant	Description	Type	Verification Source	Value
No records to display.				

Tenant Income Certification										
<input checked="" type="checkbox"/> Initial Certification	<input type="checkbox"/> Recertification	<input type="checkbox"/> Other	Effective Date: 8-20-19	Move-in Date: 8-20-19						
Part I - Development Data										
Property Name:	County:	Address:	Unit Number:	# of Bedrooms:						
Part II - Household Composition										
HH Mbr #	Last Name	First Name	Middle Initial	Relationship to Head of Household	Date of Birth (MM/DD/YYYY)	FT Student (Y or N)	Last 4 digits of SSN	Race	Ethnicity	Disabled
1	[REDACTED]	Donnell		HEAD	10-16-72	N	9413	B	NH	N

Handwritten notes and stamps on the right side of the page, including a date stamp "8-20-19" and various handwritten numbers and text.

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Top 10 File Review Noncompliance Deficiencies

#6 Unnecessary documents uploaded



Fax Cover Sheet

To: _____
 From: _____
 Re: _____
 Fax #: _____ Pages: _____
 Phone contact: _____ Date: _____



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Top 10 File Review Noncompliance Deficiencies #7 Insufficient source documentation

Not Documented, Not Done



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Top 10 File Review Noncompliance Deficiencies #8 Proper completion of Under \$5,000 Form

UNDER \$5,000 ASSET CERTIFICATION/DISPOSED OF ASSETS

For households whose combined net assets do not exceed \$5,000.
Complete only one form per household, including assets of children.

Household Name: Pea Dee Unit No: 14
Development Name: Crissy Place Apt City: Greenville

Complete all that apply for 1 through 4:

1. ☒ I/we do not have any assets at this time. OR

2. My/our assets include:

Source	(A) Cash Value*	(B) Int. Rate	(A*B) Annual Income	Source	(A) Cash Value*	(B) Int. Rate	(A*B) Annual Income
Savings Account	\$	\$	\$	Checking Account	\$ 150	150	\$
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	\$	\$	\$
Direct Express Card	\$	\$	\$	EBT Card	\$	\$	\$
Life Insurance Policies (excluding Term)				\$	\$	\$	\$
Other Retirement/Pension Funds not named above:				\$	\$	\$	\$
Personal property held as an investment**:				\$	\$	\$	\$
Other (list):				\$	\$	\$	\$

PLEASE NOTE: IF ANY assets are indicated, each line item under column (A) must be completed. If you do not have a particular asset, you may indicate "N/A" or draw a line in column (A). Certain funds (e.g., Retirement, Pension, Trust) may or may not be (fully) accessible to you. Include only those amounts which are accessible.

*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.

3. ☐ 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).

4. ☐ 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.

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: Pea Dee Date: 1/23/2020 Applicant/Tenant: _____ Date: _____
WARNING: Section 1001 of Title 18 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.

UNDER \$5,000 ASSET CERTIFICATION/DISPOSED OF ASSETS

Revision 2/8/18

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Top 10 File Review Noncompliance Deficiencies

#9 Not using the required NCHFA Employment Verification Form

EMPLOYMENT VERIFICATION			
DATE: _____			
EMPLOYER: _____		PROPERTY: _____	
ADDRESS: _____		ADDRESS: _____	
CITY, STATE, ZIP _____		CITY, STATE, ZIP _____	
CONTACT: _____		CONTACT: _____	
TEL: _____	FAX: _____	TEL: _____	FAX: _____

Check stubs are the preferred method for employment verification. If check stubs are not being used, the NCHFA Employment Verification Form, found on our website is required to be used to verify employment income



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Top 10 File Review Noncompliance Deficiencies

#10 Not having all household members 18 and older sign the TIC



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Compliance Tip: Income/Asset Calculation Worksheet

Show your work! Sample form can be found on our website

3/18/2019
LIHTC Source Calculation Listing
3:50:59 PM

Unit Number
 Head of Household

Effective Date ~~4/4/2019~~ ⁵⁻²⁻¹⁹
 Transaction Type Initial

Member Name	Income Type	Income Description	Annual Amount
<input style="width: 50px;" type="text"/>	Social Security	Social Security	\$11,322.00 ✓
			\$11,322.00

Assets										
Member Name	Description	Number of Shares	Price per Share	Market Value	Penalty For Early Withdrawal Percentage	Fixed	Cash Value	Interest Rate	Annual Dividend	Yearly Income
<input style="width: 50px;" type="text"/>	Savings Account						\$50.00 ✓	0.09% ✓		\$0.05 ✓
	Checking Account						\$0.00 ✓	0.00%		\$0.00
							\$ 50.00			\$ 0.05

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Physical Inspections

Reminders for 2020

- For projects awarded credits 2007 or later, fire extinguishers or fire stops must be in all units
- Fire stops should not be expired – check during your quarterly inspections and budget accordingly
- All fire extinguishers must be inspected by a third party, even if purchased in bulk
- For projects awarded credits 2017 or later, recycle amenities are required. If not providing, must have documentation services are not provided by your local waste contractor

Physical Inspections

- Entire 2020 monitoring schedule is available in RCRS
- Staff will email prior to the inspection to schedule, the notification letter will be uploaded in RCRS 14 days prior to the inspection date
- Requests to reschedule will be considered if requested at least 2 months in advance
- Trips are regionally aggerated to reduce costs and resources
- Residents must be given proper notice – **48 Hour Notice (TC Lease Addendum)**

Monitoring Activity - Date Scheduled in the format of Month/Year is tentative and will be firmed up prior to the indicated month

Date Scheduled	Monitoring Type	Property	Monitor	Phone	Email
01/28/2020 10:00 A.M.	Physical Inspection	Woodbridge Apartments	Donald Messer	(919) 981-2567	dwmesser@nchfa.com
January/2020	File Review	Arbor Glen Apartments	Deborah Simmons	(919) 981-4471	disimmons@nchfa.com
01/31/2020 9:30 A.M.	Physical Inspection	Springbrook Apartments	Randa McCauley	(919) 981-2691	rmccauley@nchfa.com
February/2020	Physical Inspection	Pine Mountain Trace	Erica Hopkins	(919) 981-5233	ehopkins@nchfa.com
February/2020	Physical Inspection	Windsor Arms Apartments	Randa McCauley	(919) 981-2691	rmccauley@nchfa.com
February/2020	Physical Inspection	Woodland Village	Erica Hopkins	(919) 981-5233	ehopkins@nchfa.com
February/2020	File Review	Cascade Garden Apartments	Dorian Minters	(919) 981-4470	dminters@nchfa.com
February/2020	File Review	Pine Mountain Trace	Theresa McSorley	(919) 877-5664	tamcsorley@nchfa.com
February/2020	Physical Inspection	Woodlawn Apartments	Steven James	(919) 981-2654	spjames@nchfa.com
February/2020	File Review	Oak Haven	Deborah Simmons	(919) 981-4471	disimmons@nchfa.com
February/2020	File Review	Woodbridge Apartments	Deborah Simmons	(919) 981-4471	disimmons@nchfa.com
February/2020	Physical Inspection	Oakwood Apts Phase II	Keisha Purvis	(919) 877-5713	kppurvis@nchfa.com
March/2020	File Review	Robins Park Apts	Theresa McSorley	(919) 877-5664	tamcsorley@nchfa.com
March/2020	File Review	Bowman Manor	Deborah Simmons	(919) 981-4471	disimmons@nchfa.com
March/2020	File Review	The Villas at Fallen Spruce	Deborah Simmons	(919) 981-4471	disimmons@nchfa.com
April/2020	Physical Inspection	Brookway Village	Russ Griffin	(919) 877-5643	rsgriffin@nchfa.com



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Physical Inspections

Staff should have available applicable reports:

- Current fire extinguisher report
- Sprinkler inspection, alarm, back flow testing report
- Elevator inspection report
- Other applicable building system/property related inspections



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Physical Inspections

- Upon arrival, we will give you the opportunity to identify units with issues such as bedbugs, household that have provided notification of illness (contagious), or units that are under eviction
- A list of units to be inspected will be presented after adjusting for the circumstances above

At least 20% of the units will be inspected

10% if monitored annually

Units vacant over 30 days will be inspected

Reminder: possible sample size change in 2021

- Willful offering misleading information to a inspector may result in the Agency placing the entire property in noncompliance and reported to IRS



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Physical Inspections



Currently, NCHFA uses the Uniform Physical Condition Standards (UPCS) as the inspection standard. UPCS will be replaced by (National Standard for Physical Inspections of Real Estate, timing TBD).

The goal of the UPCS inspection standard is to:

- Measure the physical condition of the property
- Objective and consistent manner
- Accommodates all property types & configurations



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Physical Inspections



UPCS Inspectable Areas

- Site
- Building Systems
- Exteriors
- Common Areas
- Units
- Health & Safety

NCHFA must report violations to the IRS



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Physical Inspections

Guide for Completing Form 8823, Low-Income Housing Credit Agencies Report of Noncompliance or Building Disposition

The scope of this guide is limited to guidelines for preparing Form 8823 for submission to the IRS. Taxpayers are responsible for evaluating the tax consequences of noncompliance with IRC §42.

Levels of Noncompliance

- Level 1 – Minor (Comment or Concern)
- Level 2 – Major
- Level 3 – Severe

Level 2 and 3 are reported to the IRS per the 8823 Audit Guide.

<https://www.irs.gov/pub/irs-utl/lihc-form8823guide.pdf>



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[illegible]

Physical Inspections

Health and Safety Violations

Exigent (life threatening)

Any deficiencies noted under this category


- A list of the deficiencies will be left with management staff
- All exigent deficiencies must be corrected within 24 hours

Non-life threatening

- A list of the deficiencies will be left with management staff

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Physical Inspections

Management staff has minimal duties or activities during the inspection:

- Entering the unit first and announcing the inspection
- “Clearing” the apartment by quickly walking the unit and opening all doors, including closet doors
- Speaking with the resident in case they have a question or concern
- Turning on the oven and stove elements until they are warm. They should be turned off when they are warm enough to be tested. Do not leave the kitchen stove on unattended
- Open the blinds in each room so the inspector can look for mold/mildew, broken, fogged, or damaged windows or locks. Open the window(s) in each bedroom until they are inspected. The inspector should close and lock the window



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Physical Inspections

Maintenance should bring along:

- Extra smoke detectors and batteries
- Stick, if necessary, to test smoke alarms
- Tools – screwdriver, pliers, etc.
- Light bulbs, drip pans
- Wall plates, switch and outlet covers
- Filler plates for panel boxes
- Dryer vent caps, GFI receptacle
- Door hardware



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Physical Inspections



- Our inspection results are a snapshot in time
- We must record what we see during the inspection
- If it is there, it must function as designed
- We must inspect all areas of the apartment
- We must inspect all “working” items in the apartment, including all windows, doors, toilets, sink, tub/showers, cooking appliances, light, etc.
- If the resident is using their own window air conditioner or refrigerator/freezer they must be inspected

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Accessibility

Effective January 1, 2014

Accessibility noncompliance will result in 8823 being issued



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Pretty Matters



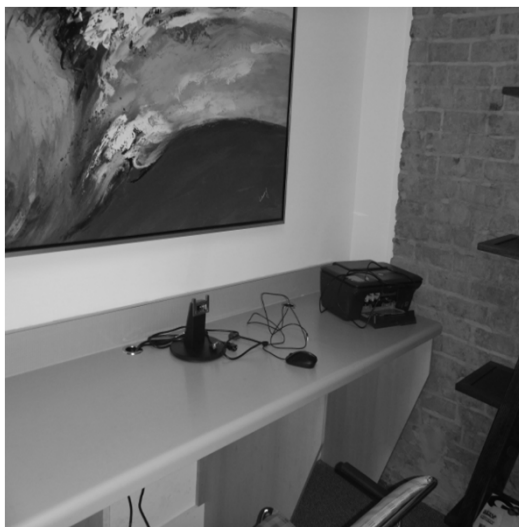
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- Effective August 1, 2016, all repairs to address UPCS deficiencies in preparation for inspection shall be in good and workmanlike manner with materials that are suitable for the purpose and free from defects
- Commonly referred to as National Industry Standards (NIS)
- Example: Drywall repair – sheet rock with mud and/or tape is the correct means of repair. Simply covering the hole or damaged area with plywood/laminate is not a correct repair method



Physical Inspections – Amenities



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- Must function as intended
- Be online and available to residents
- Must be Accessible
- If offline or new amenity is installed, must have written permission from NCHFA – contact Susan Westbrook

Tip for Compliance

Be able to document NCHFA approval for amenity changes



Unwanted Amenities



Play equipment and amenities are an inspectable item. Sometimes these amenities become damaged or unattended to. Some are taken off-line, yet only partially. For example: if you have a swing set with one seat usable and two seats missing, it is a violation. If it is “removed from service”, then the swing set must not be useable at all.

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Yearly Building Inspections

- Each year the owner must have various third-party inspections of building systems, if such systems are available. They include:
- Elevator(s)
- Fire sprinkler, alarm systems, back flow
- Emergency backup generator, chiller and hot water boilers
- Fire extinguishers

Have the reports available prior to the inspection, if they are not available on the day of the inspection, it will be recorded as noncompliance

Certificates and/or inspection reports must show that the systems or components have passed the inspection (within 12 months of our visit) and components work as intended. Get an early start on these inspections. If you fail an inspection, you may need time for service calls and re-inspections. Reports showing failing results will put the building(s) and/or components in noncompliance

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Vacant Unit Policy



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Policy for units vacant over 30 days

- There is no “48 hour rule”
- When inspecting a unit that has been vacant 30 days or longer, the inspector must record each deficiency observed as noncompliance
- Units placed off-line because of major damages to the unit or building, or lack of repair funds available must be reported to the Agency prior to the inspection



Is Hoarding a Deficiency?



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Hoarding is now recognized as a disability
There is no specific deficiency for hoarding
Results of hoarding can create health and safety deficiencies

Here are some examples:

- Excessive garbage and debris (trash) stored inside. Strong odors noticed. May observe bug infestation. Other sanitary issues
- Clothes thrown all over the unit, blocking the path of travel/exit (egress), trip and fall hazards
- Dirty dishes in the sink or piles of clothing on top of the laundry room are not deficiency issues. They may be housekeeping issues (concern)



Hoarding Examples (Continued)



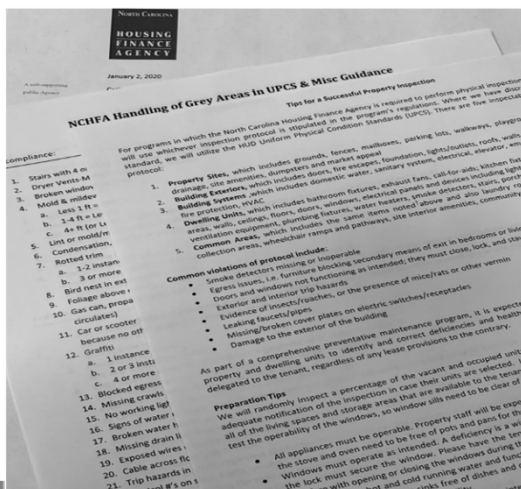
- Overflowing closets are okay if clothes do not block an electrical panel or are stored where they are not touching a gas furnace or hot water heater
- Items stored may not block window and door emergency exits
- Items stored in such a manner that falling debris or other issues may cause a injury or safety concern
- If closets are the only issue, it generally does not create issues

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NCHFA Handling of Grey Areas in UPCS & Misc. Guidance and Tips for a Successful Inspection



- Included with the Physical Inspection Notification Letter
- Physical Inspection Notification Letter and the Grey Areas have been revised for 2020
- A copy should be given to site staff to help with their pre-inspection preparations and training

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Top 10 Physical Inspection Noncompliance Deficiencies

#1 Trip hazards in dwelling units and in outdoor locations



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Top 10 Physical Inspection Noncompliance Deficiencies

#2 Blocked or missing dampers on exterior exhaust vents



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Top 10 Physical Inspection Noncompliance Deficiencies

#3 Mold/Mildew observed in the dwelling unit



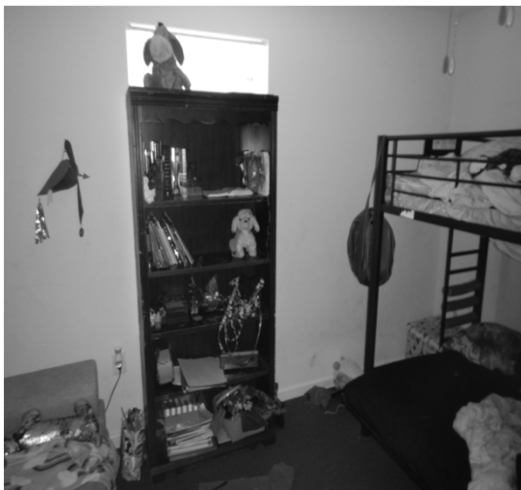
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Top 10 Physical Inspection Noncompliance Deficiencies

#4 Blocked emergency egress at windows/doors



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Top 10 Physical Inspection Noncompliance Deficiencies

#5 Damaged water heaters or missing pressure relief pipe



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Top 10 Physical Inspection Noncompliance Deficiencies

#6 Flammable materials stored in apartment or storage areas



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Top 10 Physical Inspection Noncompliance Deficiencies

#7 Broken window and doors seals. Fogged/condensation observed



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Top 10 Physical Inspection Noncompliance Deficiencies

#8 Foil observed under stove/oven heating element, foil drip pans



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Top 10 Physical Inspection Noncompliance Deficiencies

#9 Bedroom and/or bathroom doors that do not close, latch, and lock



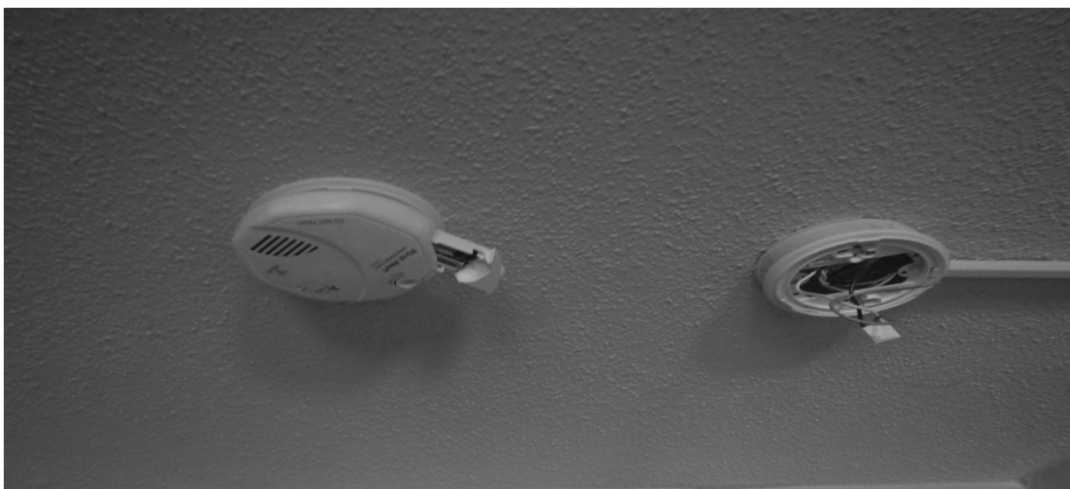
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Top 10 Physical Inspection Noncompliance Deficiencies

#10 Missing or inoperable smoke detectors



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Physical Inspection Noncompliance Responses



MAINTENANCE REQUEST

Full Name

First Name Last Name

Apartment #

E-mail

Phone Number

Area Code Phone Number

Please enter details of requested work and/or description of problem

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- Provide a work order/invoice along with pictures documenting the correction
- Do not upload a copy of the visit response letter
- When to send a invoice/work order
- When to send a picture
- Make sure that the invoice/work order includes the date the work order is completed
- A bid or proposal is not satisfactory documentation that the noncompliance has been corrected
- What if an error message is received... Your upload size is too large



Notes



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Affirmative Marketing



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Affirmative Marketing

Properties financed by NCHFA must:

- State in their leasing criteria that the property will comply with state and federal fair housing laws
- Identify methods to market to persons with disabilities and populations least likely to apply
- Applying screening criteria uniformly
- Display an approved Affirmative Fair Housing Marketing Plan, HUD form 935.2A, in the leasing office and make it available to the public upon request.
(Updated Form - December 2011; New Expiration Date January 31, 2021)
- To obtain Agency approval, upload in RCRS

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Tenant Selection Plan

The Tenant Selection Policy defines who is eligible to live in the apartment community. It must be in writing and must define acceptable and/or unacceptable criteria related to:

- Landlord References
- Credit Checks
- Criminal History
- Sex Offender Check
- Occupancy Standards
- Eligibility Requirements
- Definition of Elderly (if applicable)
- Appeal Process



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Tenant Selection Policy

- NCHFA developed a model criminal policy in connection with the Fair Housing Center
- Owners and managers must generally conform to the guidance memo dated 3/19/2018.
- New properties placing in service on or after 1/1/2019 must submit a plan that meets the requirements
- Existing properties which have an approved TSP based on the Agency's TSP policy published on 7/5/2016 are required to update the plan to comply with the requirements no later than 1/1/2021
- Plans must be uploaded in RCRS and posted in the leasing office



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Tenant Selection Policy

Fair Housing and Tenant Selection Policy for Properties Monitored
by the North Carolina Housing Finance Agency

*This applies to all properties
not just those with RPP Loans*

Tenant Selection Plan Content Checklist (updated 7/16/18)

The North Carolina Housing Finance Agency (the Agency) has a responsibility to affirmatively further fair housing within its housing programs. Among the Agency's public policy objectives related to fair housing are the following:

- Ensure access to housing created through our programs by vulnerable, underserved, and at-risk populations through the application of reasonable tenant selection criteria by our landlord partners.
- Ensure access for vulnerable, underserved, and at-risk populations in the most integrated settings within the community.
- Ensure compliance with all applicable federal regulations related to fair housing. This includes but is not limited to:

Property Management Company:

Property Name:

Person submitting Plan:

NCHFA Reviewer:

Regulations this property is subject to:

Federal Tax Credits or TCAP or Exchange -

Rural Development -

HUD Section-8 -

HOME -

TSP Section	TSP Requirement	Completed by Owner/Agent		Completed by NCHFA	
		Where is this in the TSP? Page #, Section #, Section Title	Is it OK? Yes, No, NA, or N/A	Comment/Corrective Action Needed	
1.a.i	Does the property have an income maximum listed, expressed as a number of units at % of median income?				
1.a.i	Does the TSP specify how the income limit is available? (website, contacting the on-site office, attachment to TSP)				
1.a.ii	Does the property have a minimum income policy listed?				



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Notes





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DHHS Targeting Program Key Assistance



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Targeting Program Eligibility



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About Us Home Buyers Homeowners Renters Home Ownership Partners Rental Housing Partners



DHHS Targeting Program/Key Training



DHHS Targeting Program/Key training will focus on program requirements. We will cover tenant eligibility, program rules, and reporting requirements. We will also cover special claims and rental assistance processing.

Recommended for: Regional Managers, Owners, Compliance Staff, Onsite Staff

Register Now



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Recent News

Mocksville Pointe Offers Safe,
Affordable Homes for Working
Families
January 10, 2020

North Carolinians With Special
Housing Needs Gain More Options
December 20, 2019

Targeting Unit Eligibility

TARGETING PROGRAM LETTER OF REFERRAL

SECTION 1 (Completed by the Referral Agency and Housing Assessor)
The head of household must sign a Letter of Referral. Referral Agencies can only refer applicants to properties within the agency's service area.

Referral of _____ To be completed by Housing Assessor

SECTION 2 (Completed by the Referral Agency and the Head of Household. Head of Household signature required.)
 At lease application, I, Head of Household, authorize the North Carolina DHHS, Division of Aging and Adult Services (DAAS), Housing Unit and property management to communicate regarding my application for the Targeting Program Unit.
 If my application results in tenancy, I authorize NC DHHS/DAAS, Housing Unit to communicate directly with property management regarding issues related to my tenancy and to relay this information to my referral agency.

SAMPLE

SECTION 3 (Leave this Section Blank. Must be Completed by DHHS/Housing Assessor for Potential Eligibility Determination)

Type of Unit:	KEY	FOIPA/RO	SHIP
Key	Verified HCH has disability income		Yes <input type="checkbox"/> No, will provide Key waiver. <input type="checkbox"/>
FOIPA	Verified HCH has a disability		
Section 8	Verified HCH has a disability		
TOLV	Verified HCH has a disability		
VASH	Verified HCH has a disability		
Other Federal	Verified HCH has a disability		
Visitor			
Unit Size Information	<input type="checkbox"/> Yes (Verified the property was built with/for one bedroom units and household is eligible to rent 2 BR unit) <input type="checkbox"/> No		
Property built after 1 BR	<input type="checkbox"/> Yes <input type="checkbox"/> No		
Household reports live-in aide	<input type="checkbox"/> Yes <input type="checkbox"/> No		
Number of Household Members	Authorized Unit Size		

This signature certifies the information is true and accurate as of the date signed. The property manager must verify all income information. Assessor also, then, is responsible for data verification and provide any changed information to Assessor within 5 days of receipt in order for the approval determination to be made.

NC DHHS/DAAS Housing Assessor Staff Signature _____ Date _____

Revised July 2019

- Must have a Targeting Program Letter of Referral
- Most current version includes eligible bedroom size
- Other eligibility requirements are determined by the type of rental assistance



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Key Rental Assistance

- ✓ Must have Letter of Referral from DHHS
- ✓ Head of household must have income based on disability (SSI, SSDI, VA)
- ✓ Total household income cannot exceed State-mandated 50% AMI
- ✓ Minimum gross income of \$300/month
- ✓ Meets household size per bedroom size standard

Other Rent Assistance

- ✓ Must have Letter of Referral from DHHS
- ✓ Verification of disability or homeless status according to rent assistance program rules
- ✓ Household income requirements according to rent assistance program rules.



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Targeting Unit Waivers



Unit Size Waiver



Income Waiver



Disability Waiver



NC Transitions Program Waiver



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Compliance Tip:

Management is responsible for verifying program eligibility



NC Transitions Program Waiver

- Amount used on TIC at move in (only one TIC is completed)
 - Letter indicates amount used to calculate subsidy/tenant portion for first 120 days
 - Move-in unit event entered in RCRS using this information
 - Income override (\$1) required in RCRS
- Upload all documents as you would any other move-in unit event, including NC Transitions Waiver letter
- **Tip:** All documents are completed at move in and entered in RCRS at move in.



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NC Transitions Program Waiver

- Letter indicates amount used to calculate subsidy/tenant portion after first 120 days (update unit event entered in RCRS using this information)
 - Upload Key Lease Addendum, Key Calculation Worksheet, NC Transitions Waiver
 - The amounts on these forms should reflect the amounts referenced in the Waiver letter and will be entered in RCRS
 - No income override required
 - **Tip:** documents all are completed at move in and entered in RCRS at move in.



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Live-in Aides



- Management will screen for criminal history
- Verification of need will be obtained by management
- A spouse can never be your live-in caregiver
- Additional family members are not allowed to reside in the unit
- Household member is not allowed to become the live-in aide with live-in aide
- When there is no longer a need for the live-in aide, they are no longer entitled to live in the unit
 - Live-in aide no longer qualifies as a live-in aide
 - Brings other family members to reside in the unit
 - Marries the household member
 - Moves out



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Key Rental Assistance

- State-funded rental assistance to subsidize rent of tenants referred by DHHS through the Targeting Program
- Limited to households headed by persons with disabilities, verified by income based upon disability (SSI, SSDI, etc.)
- Key Payment standard
- Set by NCHFA and DHHS
- Owner must sign Agreement of Participation
- Property Management responsible for:
 - Verifying eligibility (LIHC, HOME, etc.)
 - Sending NCHFA monthly Key requisitions
 - Transition to Housing Choice Voucher (Section 8), if applicable



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Key Assistance Payment Standard

Key Program subsidy pays the difference between the tenant rent share and the payment standard

Unit Size	% of Household Income Paid for Rent	Minimum Household Size	Payment Standard
Efficiency	25%	1 person	\$490
1 bedroom	25%	1 person	\$520
2 bedroom	20%	2 persons	\$620
3 bedroom	15%	4 persons	\$710
4 bedroom	10%	6 persons	\$790

When a property doesn't have 1BRs, i.e. none were built, single persons can rent 2BRs calculated at the 25% income rate. If the property has 1BRs, but they are full, single persons will be added to the Targeted Unit waitlist



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Key Assistance Payment Standard

- Key Payment Standards were increased statewide for all properties with Base Payment Standard effective January 1, 2019
- NCHFA rent increase approval process does not increase the Key Payment Standard



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Verifying Key Rental Assistance Eligibility



- Target Referral Letter – Is it signed and completed?
- Minimum of \$300 income per month
- Disability Source of Income (minimum \$1 per month)
 - Must be state or federal (SSI, SSDI, VA).
- Household income cannot exceed State Mandated 50% AMI
- Household size meets required bedroom size standard which is now noted on referral letter



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Requesting Key Rental Assistance

Log In

Username:

Password:

☐ Keep me logged in

Log In



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On a monthly basis:

- 1. Log into RCRS
- 2. To request funds for a specific property, click on “Rental Assistance” beside the property name in the Property List
 - To request funds for all properties managed by the company, click
 - on “Rental Assistance” at the top of home screen
- 3. Review for accuracy before clicking “Submit”
- 4. Requests will be approved and submitted for payment every Wednesday for payment the following Tuesday but no later than thirty (30) days from request



Entering New Move-ins into RCRS



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On a daily basis:

- 1. Log into RCRS
- 2. Go to the Property List, Select the Property, Click on “Buildings” in the menu
- 3. Select the appropriate building/unit
- 4. Click “Add Unit Event”
- 5. Enter Tenants, Income and Assets.
- 6. Key Assistance and Tenant Rent will calculate automatically
- 7. Before marking “complete”, upload tenant file documents by clicking on “Documents” inside the unit event



Move-in Required Documents

Uploaded at move in:

- ✓ Targeting Program Letter of Referral
- ✓ Waiver letter (if applicable)
- ✓ Rental Application
- ✓ All verification forms and file documentation
- ✓ Tenant Income Certification
- ✓ Rent and Subsidy Calculation Worksheet
- ✓ HOME Calculation Worksheet (if applicable)
- ✓ All pages of lease
- ✓ Key Lease Addendum
- ✓ Supplemental Information Form
- ✓ Tax Credit Lease Addendum
- ✓ HOME Lease Addendum (if applicable)



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Recertification Required Documents

Uploaded at recertification:

- ✓ Recertification Questionnaire
- ✓ All Verification Forms and file documentation
- ✓ Tenant Income Certification
- ✓ Rent and Subsidy Calculation Worksheet, updated to reflect new Key payment
- ✓ HOME Calculation Worksheet (if applicable)
- ✓ Key Lease Addendum
- ✓ If a waiver letter is in the file, contact DHHS for updated letter if needed



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Increase in Household Income

Targeting Program Guidelines:

- Tenant income and rent share must be calculated annually. The resulting amount will be included in the lease or Key Lease Addendum. Income increases above 50% AMI does not impact Eligibility. Tenants rent share simply increases proportionate to the increase in income.

Exceeding Key Payment Standard

If increase results in tenant share exceeding Key payment standards, property management will continue to calculate tenant rent share using the Key formula until household is at the standard rent associated with the Housing Credit income targeting level for the particular unit.

Compliance Tip: Adhere to any additional funding rules as it pertains to Housing Credit income limits.



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Key Payments



- All files receiving Key Assistance must be submitted within 30 days of unit event.
- Files will be processed within 30 days of receipt.
- Returned files delay process and starts the clock over.
- Timeline Example –
 - Move ins must be uploaded within 30 days of event.
 - Example - Move in Occurs 11/1/19 must be entered/uploaded by 12/1/19.
 - Recertification must be started 120 prior to effective date.
 - Example – Recertification due 8/1/19, paperwork should be started 4/1/19.



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Key Rental Assistance Contacts

Find Key Rental Assistance policies, forms, etc. at:
www.nchfa.com/rental/mforms.aspx.

Need help with...	Contact
Key Rental Assistance set up	Sandy Harris at ssharris@nchfa.com
File process, Key Rental Assistance billing or payment	Louise Gardner at rlgardner@nchfa.com
Targeting Unit Agreements	Sandy Harris at ssharris@nchfa.com



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Vacancy and Referral



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RCRS Access



- Management provides access to RCRS
- Management provides access to property in V&R

Did you check the box??

Organization

User Name

Email Address

User ID

Property Access

The user will be able to access property data but will not be able to add and

Report Vacancies ☒

Checking this box will allow this user to record vacancies for this property.

What happens now?



Management must enter vacancy in order to receive a referral



All vacant units must be reported, including market units



Enter vacancy as soon as you are notified

Vacancies



- For new properties, reach out to DHHS to determine which units to enter. For example, you have 85 units but you will not enter all 85 units in V&R. DHHS will ask you to enter an assortment of your various bedroom sizes. Typically, they have a greater need for one bedrooms vs. three bedrooms.
- All vacancies must be entered at turnover, regardless of whether you have met your targeting requirement.
- ISHP Properties – Communicate with LME/MCO and DHHS as it relates to which vacancies to enter in V&R.

Do you know your units?

Unit Accessibility

Unit has a roll-in shower *:



Unit has wider doors and grab bars *:



Unit has assistive technology *:



Unit has more than one floor *:



Exterior Stairs *:



Elevator Access *:

Yes



Unit Floor *:

Ground Floor



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Unit Accessibility



- What makes a unit accessible?
- Unit has a roll-in shower = Fully Accessible
- Unit has wider doors and grab bars = Handicap Unit
- Unit has assistive technology = Visual/Audio Accessible Unit
- Unit has more than one floor= Interior Stairs
- Exterior Stairs
 - Are there stairs to access the unit (can be only one or multiple)?
- Elevator Access
- Unit Floor (provide response if you note exterior stairs)

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Exterior Stairs – Hover over the asterisk*

Will the tenant need to navigate stairs in order to access the unit?



Unit Accessibility	
Unit has a roll-in shower*:	<input type="text"/>
Unit has wider doors and grab bars*:	<input type="text"/>
Unit has assistive technology*:	<input type="text"/>
Unit has more than one floor*:	<input type="text"/>
Exterior Stairs*:	<input type="text"/>
Elevator Access*:	<input type="text"/>

Housing Assessor



Acknowledges receipt of vacancy within five (5) business days

Provides property with referral & applicable waiver letter (V&R upload)

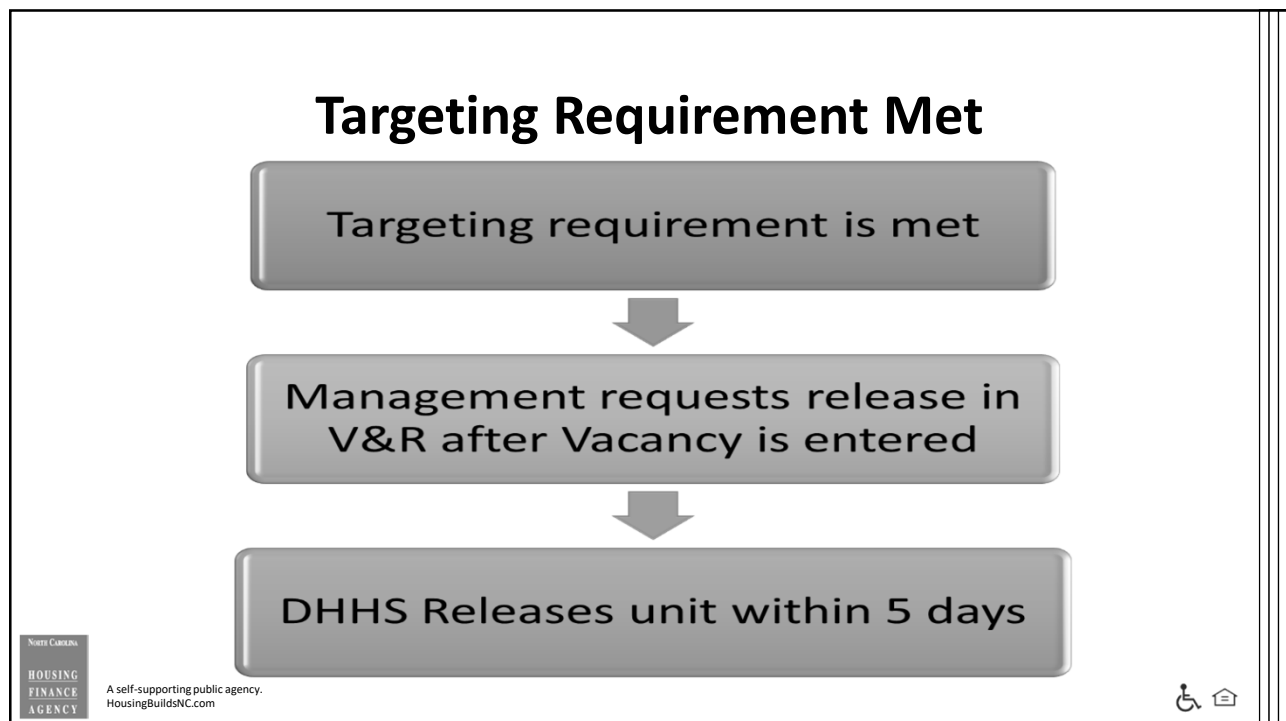
DHHS has unit for thirty (30) days unless released

Add Referral

Property Information	Active	Referral Information
Name: Harris Pointe		First Name *: <input type="text"/>
Buildings: View		Preferred Name: <input type="text"/>
Address: 345 E. Harris Place, Eden, NC 27288		Middle Name: <input type="text"/>
County: Rockingham		Last Name *: <input type="text"/>
Property Type: Elderly (55)		Referral Letter *: <input type="text"/> <input type="button" value="Select"/>
Rent Standard: Base Payment Standard		DHHS Priority *: <input type="text"/> <input type="button" value="v"/>
Total Units: 58		Household Size *: <input type="text"/> <input type="button" value="v"/>
Required DHHS Targeting Units: 6		Unit Size Eligibility *: <input type="text"/> <input type="button" value="v"/>
Reported DHHS Targeting Units: 2		Referring Agency *: <input type="text"/>
Reported/Total Units %: 3.45 %		Subsidy *: <input type="text"/> <input type="button" value="v"/>
Bedrooms: 1 Bedroom, 2 Bedrooms		
Warning: DHHS targeting not met.		
Management Company Information Name: Wynnefield Properties, Inc. Agent Contact: <input type="text"/> Phone: <input type="text"/>		

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Home	Add Vacancy	Vacancy Search	➔ Actions
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Request Release

Vacancy Detail


Property Information	
Name:	The Landings at Winmore
Buildings:	View
Address:	100 Andys Ln, Chapel Hill, NC 27516-8436
County:	Orange
Property Type:	Family
Rent Standard:	Base Payment Standard
Total Units:	58
Required DHHS Targeting Units:	6
Reported DHHS Targeting Units:	6
Reported/Total Units %:	10.34 %
Bedrooms:	2 Bedrooms, 3 Bedrooms

Unit Information	
Date Available for Occupancy:	04/03/2019
Bedroom Count:	2 Bedrooms
Smoking:	Smoking is not allowed upon the property
Subsidy:	Key Program
PBRA Minimum Household Size:	N/A
PBRA Maximum Household Income:	N/A
Unit Number/Description:	208

Unit Accessibility	
Unit has a roll-in shower:	No
Unit has wider doors and grab bars:	No
Unit has assistive technology:	No
Unit has more than one floor:	No
Exterior Stairs:	No
Elevator Access:	No
Unit Floor:	Ground Floor


Reason for Vacancy	
Targeted Unit Tenant Moving Out:	No

Management Company Information	
Name:	Partnership Property Management
Agent Contact:	
Phone:	
Fax:	
Email:	



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Home	Vacancy Search	➔ Actions
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Release Vacancy
 Deny Release Request


Vacancy Detail

Property Information		Active
Name:	The Landings at Winmore	
Buildings:	View	
Address:	100 Andys Ln, Chapel Hill, NC 27516-8436	
County:	Orange	
Property Type:	Family	
Rent Standard:	Base Payment Standard	
Total Units:	58	
Required DHHS Targeting Units:	6	
Reported DHHS Targeting Units:	6	
Reported/Total Units %:	10.34 %	
Bedrooms:	2 Bedrooms, 3 Bedrooms	

Unit Information	
Date Available for Occupancy:	03/20/2019
Bedroom Count:	2 Bedrooms
Smoking:	Smoking is allowed in designated areas only
Subsidy:	Key Program
PBRA Minimum Household Size:	N/A
PBRA Maximum Household Income:	N/A
Unit Number/Description:	300-404 /Transfer


Unit Accessibility	
Unit has a roll-in shower:	No
Unit has wider doors and grab bars:	No
Unit has assistive technology:	No
Unit has more than one floor:	No
Exterior Stairs:	Yes
Elevator Access:	No
Unit Floor:	3rd Floor

Management Company Information	
Name:	Partnership Property Management
Agent Contact:	
Phone:	



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Pending Contact



- Referral should contact property within five (5) days
- DHHS still has access to the unit if the referral does not respond

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No-Shows



- Management notifies DHHS of contact status
- Update V&R with contact status after five (5) days

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Home
Referral Search
Actions

Submitted: 02/25/2019

Submit Application
Request Contact Status Follow-up

Kirkwood Crossing
Wynnefield Properties, Inc.

Referral Detail

Referral Dates

Date Submitted: 02/25/2019

Property Information

Name: Kirkwood Crossing

Referral Information

Name:
Household Size:
Unit Size Eligibility:
Subsidy:

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Revive or Close?

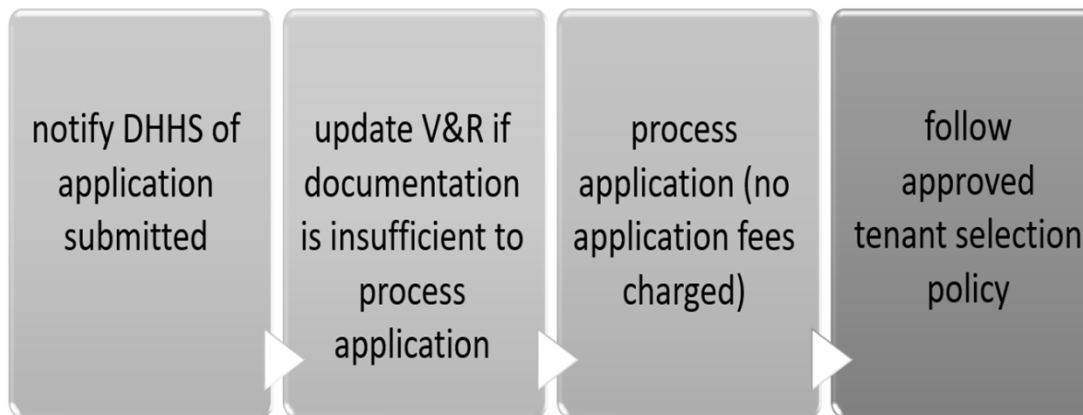
Revive

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- DHHS will contact referral agency to determine if referral is still interested
- If so, they “revive” the referral (tells property referral is still interested in unit)
- If not, they close the referral (tells property referral no longer interested but does NOT release the unit)

Ready to Apply



What's Missing?



- If missing documentation is preventing you from processing the application, notify the applicant
- Update V&R with comment on referral of missing information
- DHHS receives notice of a comment added and will review and follow up as needed

What's Missing?

Comments		
Comment	Created By	Date Created ▾
missing income verification	WebDB.SSHARRIS	03/13/2019

Add

Referral Comments			
Referral Comments			More...
Name	Referral Name	Status	Date Created
Vermilion		Pending Application Result	03/13/19 01:49 PM
Tryon Grove Apts		Closed	03/07/19 04:41 PM
Tryon Grove Apts		Closed	03/07/19 04:20 PM
Eagle Market Place		Pending Denial Review	02/05/19 12:58 PM
Breckenridge Court		Pending Contact	11/21/18 09:47 AM

Approved



- Management updates V&R with approval status
- Arranges move-in date

Home
Referral Search
Actions

Submitted: 10/15/2018

Approve Application
Deny Application
Withdraw Application

: Kensington Gardens

Management Company: Partnership Property Management

Referral Detail

Referral Dates

Date Submitted: 10/15/2018
Date Application Submitted: 03/13/2019

Property Information

Name: Kensington Gardens
Buildings: View
Address: 120 Camden Court, Shelby, NC 28150
County: Cleveland
Property Type: Elderly (55)
Rent Standard: Base Payment Standard

Referral Information

Name:
Household Size:
Unit Size Eligibility:
Subsidy:

Referral Status

Current Step:
Contact Status:
Application Status:
Appeal Contact Followup Status:
Reasonable Accommodation Request:

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Vacancy Reservation

- Management reserves vacancy (unit applicant will move-in)
- Enter expected move-in date

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Home

Referral Search

Actions

Reserve Vacancy

Withdraw Application

Submitted: 10/15/2018

Kensington Gardens

Management Company: Partnership Property Management

Referral Detail

Referral Dates

Date Submitted:

10/15/2018

Date Application Submitted:

03/13/2019

Date Approved:

03/13/2019

Referral Information

Name:

Household Size:

Unit Size Eligibility:

Subsidy:

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Home

Referral Search

Actions

Reserve Vacancy

Withdraw Application

Submitted: 10/15/2018

Kensington Gardens

Management Company: Partnership Property Management

Current Step: Pending Vacancy Reservation

Vacancy Reservation Confirmation for

Select an expected move-in date and vacancy to associate with this referral.

Expected Move-In Date *:

	Property	Management Co	Unit Desc	Br	Smoking	Reported	Ready	Acc	Hand	Vis/Aud
<input type="checkbox"/>	Kensington Gardens	Partnership Property Management	129/1 Bedroom, handicap, roll in shower	1 Bedroom	Smoking is allowed in designated areas only	10/02/2018	12/01/2018	Yes	Yes	No

OK

Cancel

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They Changed Their Mind



- Management updates V&R (undo reservation)
- Choose another vacant unit
- Or-
- Withdraw application

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Home	Referral Search	Actions
<input type="text"/> Submitted: 10/15/2018		Kensington Gardens Company: Partnership Property Management Current Step: Pending Move-In
Confirm Move-In Undo Vacancy Reservation Withdraw Application		
Referral Detail		
Referral Dates		
Date Submitted:	10/15/2018	
Date Application Submitted:	03/13/2019	
Date Approved:	03/13/2019	
Property Information		
Name:	Kensington Gardens	
Buildings:	View	
Address:	120 Camden Court, Shelby, NC 28150	
County:	Cleveland	
Property Type:	Elderly (55)	
Rent Standard:	Base Payment Standard	
Total Units:	44	
Required DHHS Targeting Units:	5	
Referral Information		
Name:	<input type="text"/>	
Household Size:	1-Person	
Unit Size Eligibility:	1 Bedroom	
Subsidy:	Key	
Referral Status		
Current Step:	Pending Move-In	
Contact Status:	Applied	
Application Status:	Approved - 3/13/2019	
Appeal Contact Followup Status:	(not entered)	
Reasonable Accommodation Requested:	No	
Expected Move-In Date:	03/13/2019	
Referral Reserved To:	129/1 Bedroom, handicap, roll in shower	

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Move-in Day



- Applicant signs lease and other documents
- Management confirms move-in date in V&R
- **Compliance Tip:** Move-in must also be reported in RCRS.

[Home](#)
[Referral Search](#)
[Actions](#)

Property: Kensington Gardens
Management Company: Partnership Property Management

Submitted: 10/15/2018

Move-in Confirmation for

Please enter a Move in date and select the actual unit that the tenant has moved into and click Ok.

Move-In Date *:

	Building	Building Address	Unit Number	Unit Type	Bedroom Count
<input type="checkbox"/>	NC-09-10006	Bldg # 6; E. Marion St., Shelby, NC 28150	KEN125	Garden Apartment	1 Bedroom
<input type="checkbox"/>	NC-09-10006	Bldg # 6; E. Marion St., Shelby, NC 28150	KEN127	Garden Apartment	1 Bedroom
<input checked="" type="checkbox"/>	NC-09-10007	Bldg # 7; E. Marion St., Shelby, NC 28150	KEN129	Garden Apartment	1 Bedroom
<input type="checkbox"/>	NC-09-10007	Bldg # 7; E. Marion St., Shelby, NC 28150	KEN131	Garden Apartment	1 Bedroom
<input type="checkbox"/>	NC-09-10008	Bldg # 8; E. Marion St., Shelby, NC 28150	KEN133	Garden Apartment	2 Bedrooms
<input type="checkbox"/>	NC-09-10008	Bldg # 8; E. Marion St., Shelby, NC 28150	KEN135	Garden Apartment	2 Bedrooms
<input type="checkbox"/>	NC-09-10009	Bldg # 9; E. Marion St., Shelby, NC 28150	KEN137	Garden Apartment	1 Bedroom
<input type="checkbox"/>	NC-09-10009	Bldg # 9; E. Marion St., Shelby, NC 28150	KEN139	Garden Apartment	1 Bedroom

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Things to Remember



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- Referral letter shows bedroom size household is eligible to lease
- Update V&R as activity takes place – do not wait until the end to do everything
- Notify Housing Assessor/NCHFA with any questions before you sign the lease



Contacts for Questions

Need help with...	Contact
Payment/file issues	Louise Gardner at rlgardner@nchfa.com
How to use V&R	Wanda Teel (DHHS) at wanda.teel@dhhs.nc.gov
Technical Issue with V&R	Sandy Harris at ssharris@nchfa.com

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Notes





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