SUPPORTIVE HOUSING MONITORING TRAINING

May 21, 2025
NCSU McKimmon Center
Raleigh, NC

NORTH CAROLINA HOUSING FINANCE AGENCY
HousingBuildsNC.com

Supportive Housing Monitoring Training
Agenda/Table of Contents

Welcome
- A. Agenda **2**
- B. Agency Contact List & Staff 3
- C. Housekeeping/Survey 4
- D. New Items 6
- E. Who We Are 9

Fair Housing **10**
- A. Federal/State/Local Laws 10
- B. Reasonable Accommodations 14
- C. Support Animals 17
- D. Reasonable Modifications 21
- E. Language Access/Limited English 23
- F. Fair Housing Testing/Training 24

Supportive Housing **25**
- A. Development Phase 25
- B. Housing Use 26
- C. Program Requirements 27

Programs and Funding Sources **29**
- A. SHDP 29
- B. SH-Rehab 30
- C. SHARP 30
- D. HOME Funds 31
- E. State HTF Funds 31

Loan Requirements **32**
- A. Primary Loan Documents 33
- B. Insurance 35
- C. Reserve Accounts 37
- D. Audited Financials 43

Monitoring Requirements 46
- A. Required Program Forms 47
- B. RCRS Requirements 51

NSPIRE **52**
- A. Flip Guide Book **53**
- B. Priorities **54**
- C. Applicability & Timing **54**
- D. NSPIRE Three Inspectable Areas 56
- E. Repairs During Inspection 58
- F. 2024 Noncompliance 58
- G. State Physical Inspection Policy 59

Monitoring Process – File & Physical **63**
- A. File Review Process 63
- B. Monitoring Frequency 65
- C. Combined Inspection 67
- D. Physical Inspections 68
- E. Review Reminders 68
- F. State Noncompliance 74
- G. Compliance Resolution Package 75

Reporting Requirements - RCRS **75**
- A. New Access 76
- B. Management Company Contacts 76
- C. Management Documents 78
- D. Feedback Documents 78
- E. Financial Documents 79
- F. Annual Owner Certification 81

HOTMA **83**
- A. Timeline 83
- B. HOTMA Delayed 84
- C. Additional Guidance 86
- D. Certification vs Verification 90
- E. Tax Refund 94
- F. Verification Hierarchy 97
- G. Assets 98
- H. GIG Income 100

Move-in and Lease Procedures **102**
- A. Leases 102
- B. HOME Lease Addendum 103
- C. HOME Annual Recertification Requirement 104
- D. HOME Student Rule 105

Income/Rent Limits and Utility Allowances **105**
- A. Income Limits (RCRS) 106
- B. Rent Limits/Requirements 107
- C. Fees 112
- D. Utility Allowances 113
- E. Rent Increase Policy/Approval 115

Affirmative Marketing and Tenant Selection Plans **118**
- A. What is an AFHMP? 118
- B. How to Complete & Implement 119
- C. Tenant Selection Plan 122

NCHFA Trainings **127**

Training Resources **130**

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**

Supportive Housing Asset Management Team:

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

Tanya Burnett Clark,	**tbclark@nchfa.com**	**(919) 877-5665**
Team Leader		
Susan Caulder	**sccaulder@nchfa.com**	**(919) 981-2641**
Heidi Holt	**htholt@nchfa.com**	**(919) 480-2877**
Krista Zimmer	**klzimmer@nchfa.com**	**(919) 480-8947**

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

If you have a question about Annual Owner Certifications (AOC), 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:
Susan Caulder sccaulder@nchfa.com **(919) 981-2641**

If you have a question about utility allowances, contact:
Tammy Douglas tgdouglas@nchfa.com **(919) 877-5654**

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 training workshop registration, contact:
Gianna Hargrove-Fletcher gmhargrovefletcher@ncha.com **(919) 578-3529**

If you have a general or specific question about a Supportive Housing property or shelter, contact:
Susan Caulder sccaulder@nchfa.com **(919) 981-2641**

If you have general questions about physical inspections, contact:
Tanya Clark tbclark@nchfa.com **(919) 877-5665**

Development Team:

Nancy Bloebaum nbbloebaum@nchfa.com **(919) 877-5619**
Manager of Supportive Housing Development Programs

Keisha Purvis kppurvis@nchfa.com **(919) 877-5713**
Supportive Housing Development Specialist

Maureen Greidanus mrgreidanus@nchfa.com **(919)578-3532**
Supportive Housing Development Specialist

Josh Burton jdburton@nchfa.com **(919) 480-8756**
Supportive Housing Development and Construction Specialist

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Housekeeping

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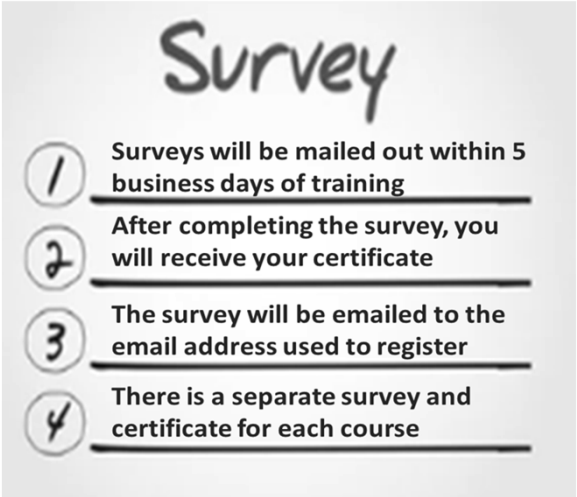
ETC

Survey = Certificate



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RESPONSE REQUIRED

- The policy/information contained in this presentation was prepared and related handouts are accurate at the time of this presentation
- Upon further release of guidance from the Internal Revenue Service (IRS) and US Department of Housing and Development (HUD) or NCHFA Leadership, additional updates to our policies may be necessary and will be communicated by the North Carolina Housing Finance Agency

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VISIT OUR WEBSITE
www.nchfa.com

rentaltrainings@nchfa.com

used for both questions during training and general compliance questions

compliancehelp@nchfa.com

used for RCRS questions/issues only

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Contact Us!

2025

NCHFA HOTMA Delayed New Effective Date: 7/1/2025

- After careful consideration, the Agency has decided to delay implementing HOTMA for properties in our portfolio until **7/1/2025**
- This will correspond with the implementation date imposed by HUD and RD
- The Rental Compliance Reporting System (RCRS) will be updated in time to allow for 1/1/2025 implementation date, as discussed in training
- Therefore if you are ready to move forward in January, please do so
- Major difference triggered by the change: All income certifications with an EFFECTIVE date of 7/1/2025 will be required to be HOTMA-compliant. (If we had implemented in January, we would go by signature date instead of effective date.)
- We have updated our forms with the most recent guidance
- The updated policy and forms will be available on our website

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An email blast was sent out and announcement posted in RCRS on the RCRS Home Screen under Announcements on 11/27/2024

Major Announcement: RCRS UPDATE

NAHMA versions 6, 7 and 8 are now supported in RCRS

As of 2/6/2025, companies may now transmit unit events from third-party software using NAHMA upload version 6, 7 or 8

Additional details will follow, including when versions 6 and 7 will be retired

Please contact compliancehelp@nchfa.com if you encounter glitches with RCRS or the upload process

***This is not applicable to emergency shelters**

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Updating RCRS Contacts Requirements

- Each Management Company has a RCRS Administrator who can assign contacts, roles, tags and re-set user passwords
- Ensure that Management and Owner contacts in RCRS are current for each property in the portfolio
- Ensure that contact roles are updated for each property as staff changes occur
  - Physical Inspection Contact
  - File Review Contact
  - Key Contact
  - Primary Compliance Contact
  - Project Specific Contact
  - On-Site Contact – If not updated state noncompliance will be issued
  - Operations Contact
  - Financial Contact

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If additional assistance is needed
Email compliancehelp@nchfa.com

Submitting Documents

Upload In RCRS Only

Do Not

- Email to Staff
- Use Drop Box

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2025 HUD Inflation-Adjusted Values (Table 1): Effective January 1, 2025

Asset Self-Certification Threshold (Under $50k Form)
- (will require a form update)
- 2025 - $51,600 (2024 - $50,000)

Earned Income Exclusion for Deponent Adult Full-Time Students
- 2025 - $480 (Unchanged)

Adoption Assistance Exclusion
- 2025 - $480 (Unchanged)

HUD Passbook Rate
- 2025 – 0.45% (2024 – 0.4%)

NCHFA Policy
Effective 7/1/2025 when HOTMA is implemented

***This is not applicable to emergency shelters**

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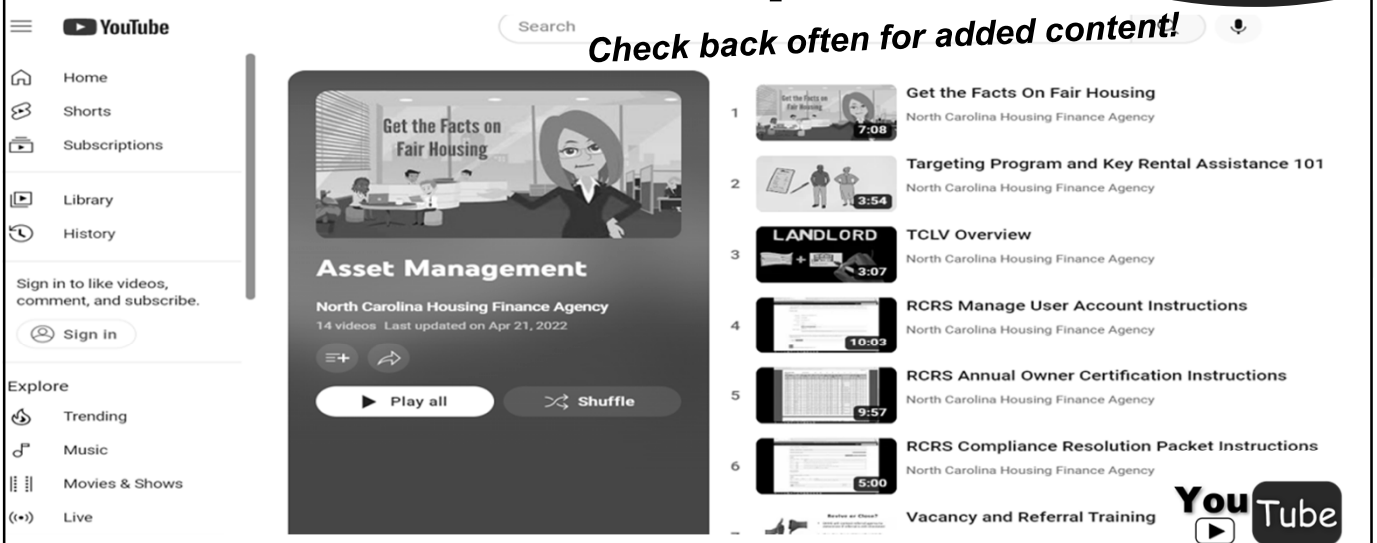
https://www.huduser.gov/portal/datasets/inflationary-adjustments-notifications.html

Online Video Clips

Check back often for added content!



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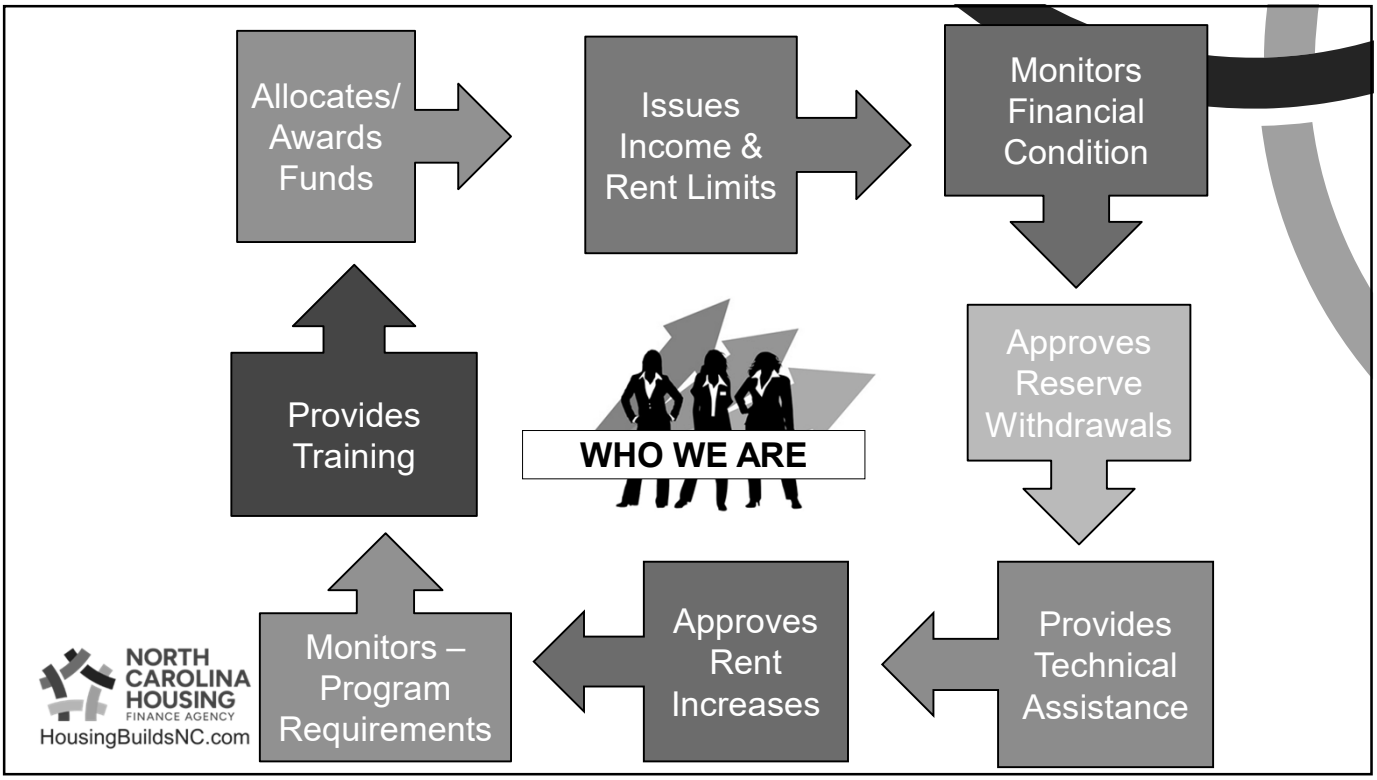
Available on our YouTube Playlist



Fair Housing

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Fair Housing Training Disclaimer

- Information presented should not be interpreted as legal advice or legal authority
- Fair housing issues are fact specific, therefore housing providers should seek legal advice from qualified fair housing professionals/attorneys regarding specific situations, policies, practices, procedures, and documents
- This fair housing training section does not meet the any annual fair housing requirements

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Manager replies…
"I'm sorry, we are working from waiting list for all of our bedroom sizes"

Manager replies…
"Why yes, we have apartment available in all our bedroom sizes…would you like a community tour?

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▪ Laws Impacting Fair Housing

Civil Rights Act of 1968 and the Fair Housing Amendments Act of 1988
• Applies to all housing in the United States
Americans With Disability Act (ADA)
• Applies to all housing in the United States
Title III – Public Accommodations
• Applies to Common Areas
Section 504 Regulations and Limited English Proficiency Requirements
• Applies to housing utilizing Federal funds such as HOME, NHTF, HUD, RHS
- N.C Fair Housing Act
- City/Town/County Laws
- State and Local Building Codes

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Types of Properties Covered

The FHA broadly applies to "dwellings," which includes almost every residential rental unit:

- Single and Multi-family Housing
  - Houses, Apartments and Condos
- Group Homes
- Shelters
- Migrant Housing
- Assisted Living Housing
- Long-term Transient Lodging

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Protected Classes

- Race
- Color
- National Origin
- Religion
- Sex
  - Gender
- Familial Status
  - Families with children
- Disability

North Carolina Protected Classes Federal + Affordable Housing (NIMBY)

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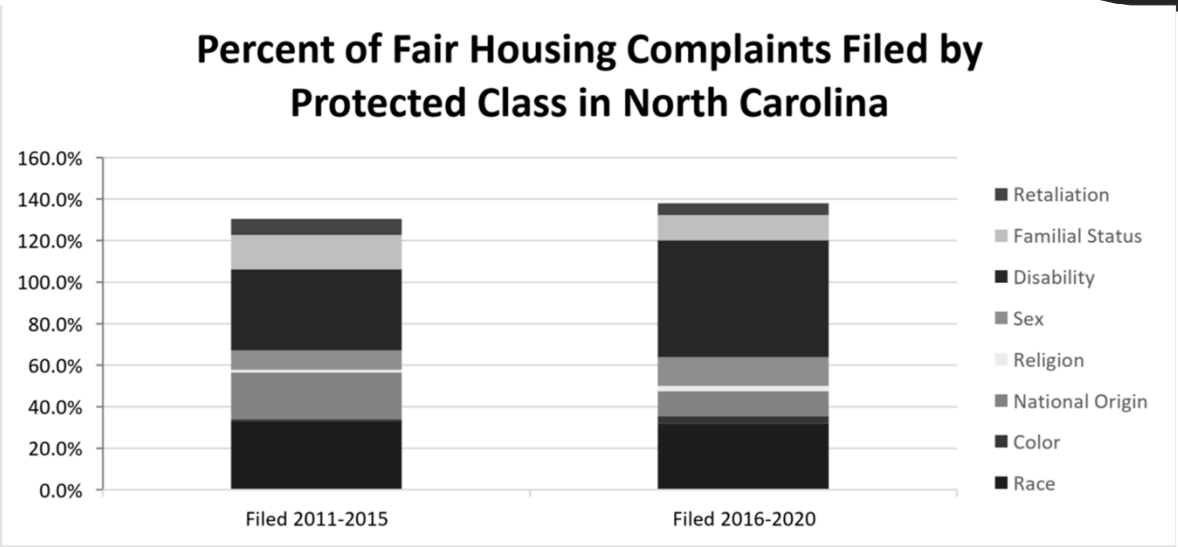
HUD Complaints Filed In NC



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Source: Fair Housing Project of NC Annals of HUD Complaints

Fair Housing Project
A Project of Legal Aid of North Carolina

Fair Housing Fundamentals

Equality

- People should not be subjected to additional rules or requirements based on groups they belong to

Equity

- People do not start from the same place and we must acknowledge and make adjustments to imbalances

Integration

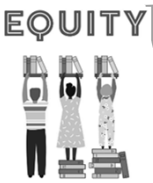
- People are entitled to live and participate in the community

Choice

- People can choose were to live

Individuality

- Respect unique needs and circumstances



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Disability Definition – Fair Housing Act

Must disclose a disability and one of the following is present:

- ✓ Limits a physical or mental impairment that impacts substantially one or more major life activities
- ✓ Having a history of such impairment
- ✓ Being perceived as having such an impairment – whether the individual is or is not impaired
- ✓ Includes people associating or residing with a person with a disability

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FAIR Housing ACT®

Disability Rights

Housing Providers are required to take steps and implement policies to allow individuals with disabilities an equal opportunity to live in the apartment community

EQUAL HOUSING OPPORTUNITY

Reasonable Accommodations

Reasonable Modifications

This is the law's way of leveling the playing field

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Reasonable Accommodations

- A change in rules, policies or procedures
- Necessary because of the individual's disability
- Provides full/equal access to housing

- Before tenancy/when applying for housing
- During tenancy
- When facing eviction, if RA or source of income remove basis of eviction

- Resident or family member
- Medical provider, social worker or therapist
- Other

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https://www.hud.gov/faqs/fairhousing

Reasonable Accommodations Examples

Rule/Policy	→	Changed Rule/Policy as RA
First come, first served parking	→	Reserved parking for Tenant with mobility impairment
Tenant must complete application	→	Assist a Tenant with cognitive disability to complete application
Rent due on 1st of month	→	Move rent due date for Tenant who receives SSI or disability payment
1-year lease for 2nd floor unit	→	Move to 1st floor unit w/o fee for Tenant with mobility impairment
Rent must be paid by check	→	Allow direct deposit or representative payee for Tenant whose disability affects ability to timely pay rent

Needed Because of Disability

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Reasonable Accommodations

Reasonable Accommodations Examples

Rule/Policy	Changed Rule/Policy as RA
Fee for early lease termination	Allow tenant to terminate lease early without fee due to disability (e.g. emergency hospitalization or unit conditions exacerbate disability)
Occupants may only be added at lease renewal	Allow a Tenant with a disability to have live-in aide
Terminate tenancy due to poor housekeeping	Allow a Tenant more time to comply with the lease requirements and remove excess clutter
No pets allowed	Allow service or assistance animal for Tenant with disability

Needed Because of Disability

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Reasonable Accommodations

Everyone's

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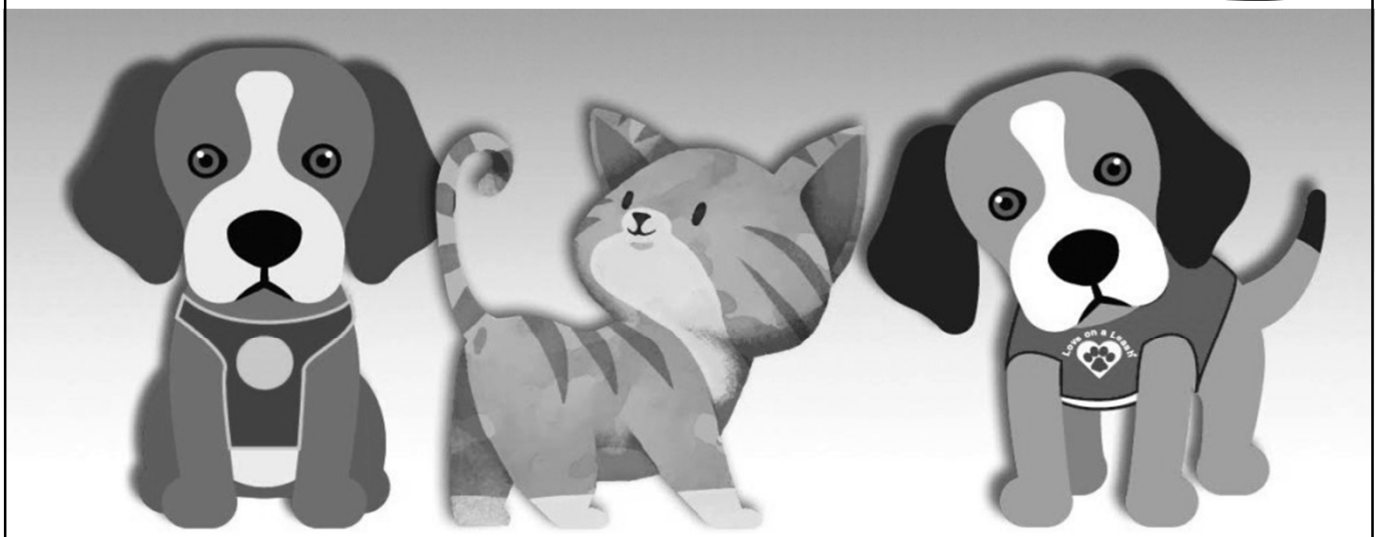
Service Animals



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Support Animals

DO YOU HAVE AN ASSISTANCE ANIMAL?

Under the Fair Housing Act, people with disabilities are allowed to have assistance animals in their homes. Assistance animals include emotional support animals and service animals. You can request a reasonable accommodation to many pet-related restrictions if you need an assistance animal.

Housing providers may be violating the law if they:

- Refuse to allow your assistance animal to live with you
- Impose a breed ban or weight limit on your assistance animal
- Require unreasonable inspections of your home because you have an assistance animal

You can report housing discrimination to the Equal Rights Center.

Equal Rights Center est. 1983 — Advancing Civil Rights For Over a Quarter Century

202-234-3062
info@equalrightscenter.org
equalrightscenter.org

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FAIR HOUSING FOR ALL

SERVICE
DOGS
Any dog trained to perform tasks for an individual with a disability.
EMOTIONAL
SUPPORT DOGS
Medically prescribed animals providing therapeutic benefit through dedicated companionship.
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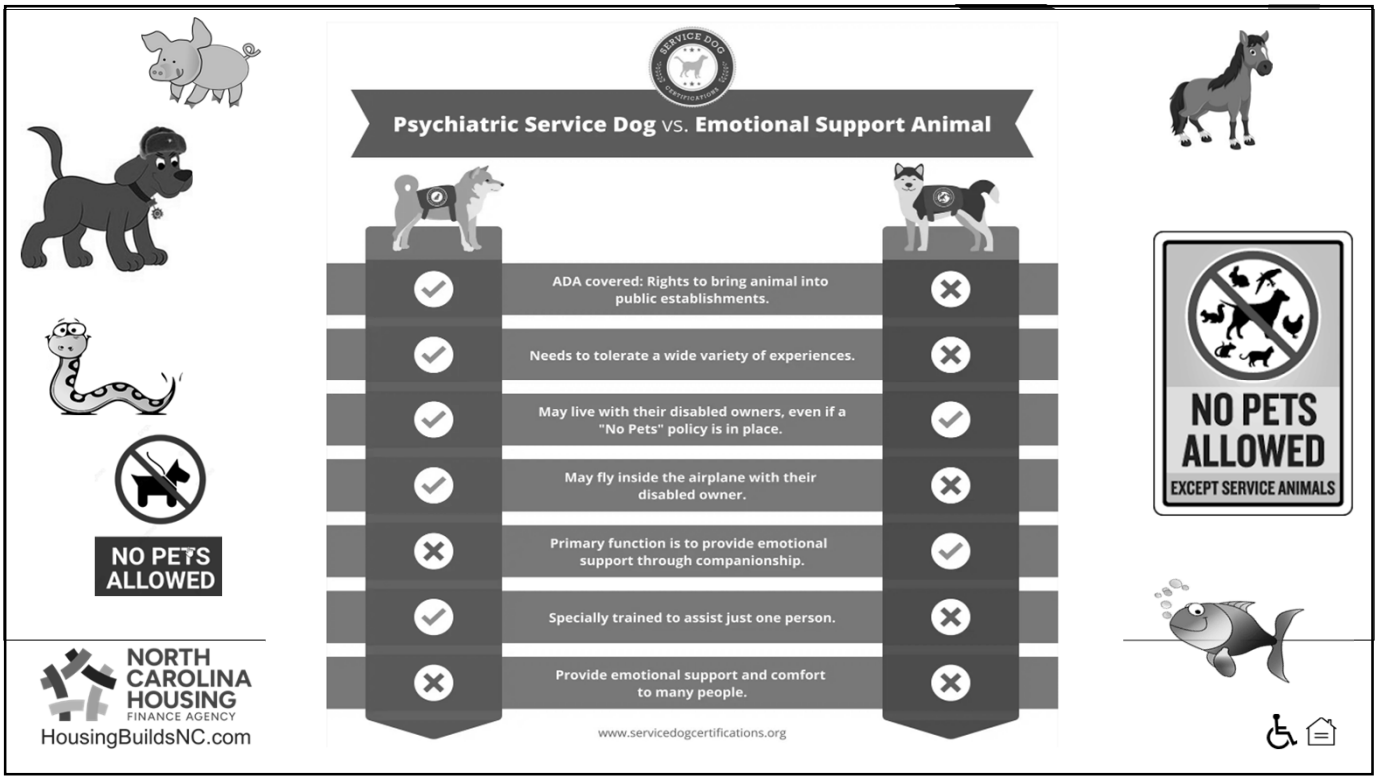
In affordable housing, we typically do not address Therapy Animals


NO PETS ALLOWED
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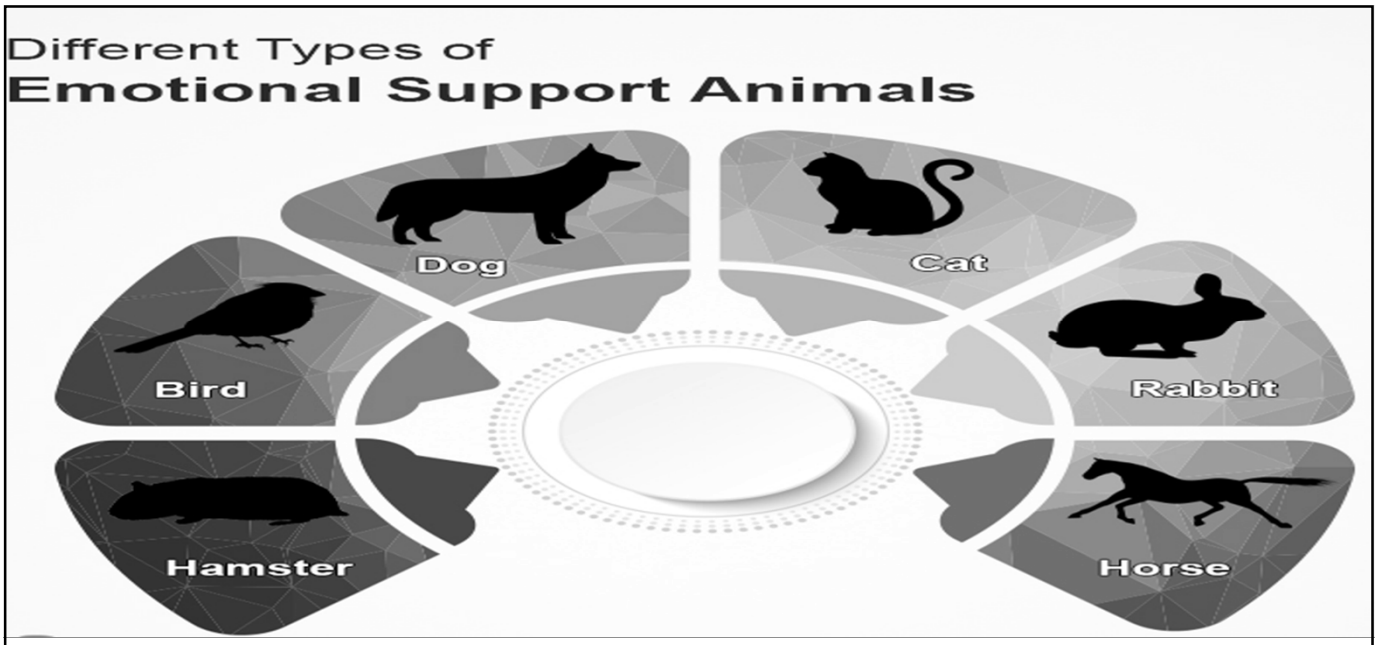
Psychiatric Service Dog vs. Emotional Support Animal
ADA covered: Rights to bring animal into public establishments.
Needs to tolerate a wide variety of experiences.
May live with their disabled owners, even if a "No Pets" policy is in place.
May fly inside the airplane with their disabled owner.
Primary function is to provide emotional support through companionship.
Specially trained to assist just one person.
Provide emotional support and comfort to many people.
www.servicedogcertifications.org
NO PETS ALLOWED
EXCEPT SERVICE ANIMALS



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Have a policy!

Service Animal – Verifications

- HUD on 1/28/2020 published guidance clarifying how housing providers can comply with the Fair Housing Act when assessing a person's request to have an animal in housing to provide assistance because of a disability
- Specifically addresses "internet verifications" where there is no known relationship between the patient and the verification provider other than providing the verification
- A service animal is a dog (with a narrow exception for miniature horses) that has been trained to perform specific tasks or services for a disabled person

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HOW SERVICE DOGS SHOULD BEHAVE

Dog Barking,

Dog Jumping On Table To Eat Food

Dog Out Of Control

Dog Urinating Inside

Dog Standing Next To Human

Dog Laying Down When Inside Restaurant

Dog Sitting & Paying Attention To Human

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Service and Companion Animal Reminders

- Must have separate rules for pets and service & companion animals
- Cannot collect fees or pet deposit. Can charge for damages caused by service & companion animals
- May require third party documentation that Household member is disabled and needs a service & companion animal
- A support animal, which may be trained or untrained, and do work, perform tasks, provide assistance, and/or provide therapeutic emotional support for individuals with disabilities
- A person may have a disability related need for both animals, or two disabled people in the same household each need their own assistance animal

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Reasonable Modifications

Definition

A physical change in the premises to allow a individual with a disability to fully enjoy and use the dwelling

<u>Reminder</u>

Includes common areas and interior of the dwelling unit

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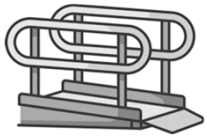
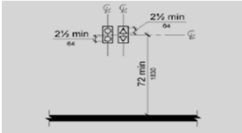
Reasonable Modification Examples

Widening a doorway

Installing a wheelchair ramp





Installing a light switch or thermostat in an accessible location

Installing lever door handles or pushbutton locks

Installing a strobe light smoke detector or doorbell

Installing grab bars in a bathroom

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Who Pays For Reasonable Modifications?

Depends on the funding source

Program	Owner	Tenant
• HOME	✖	
• CDBG	✖	
• LIHTC		✖
• Section 202 & 811	✖	
• McKinney Vento Supportive Housing	✖	
• USDA Rural Development	✖	
• Tax Exempt Bond		✖
• Public Housing	✖	
• Privately Owned with Federal RA	✖	
• Conventional Properties		✖

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What if ……..
A property has multiple funding sources?

RA and/or RM Reminders

- Property managers may request proof that the person has a disability and is covered under the law
- Property managers may also request additional information that the accommodation or modification is necessary and/or will address the issue.
- DHHS Targeting applicants/tenant can request
- Further inquiry into the nature and type of the disability, however, must be limited to matters directly related to the requested accommodation or modification
- Rental Assistance (Section 8, Key Program, etc.) must be taken into consideration when evaluating ability to pay rent and requests for reasonable accommodations to the standard credit history criteria
- Must follow your Tenant Selection Plan or House Rules for Emergency Shelter

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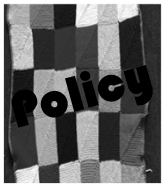
RA and/or RM Reminders



- A blanket rule, either stated, or in a pattern of practice, that "we do not provide accommodations for a criminal history " may be illegal
- Timeliness in responding to reasonable accommodation or reasonable modification is important
- Undue delay in responding to request could be seen as a refusal to make an accommodation or allow a modification, and consequently, a violation of the law. Delays should be communicated
- If a tenant submits a reasonable accommodation request in response to a lease termination or eviction notice; the termination process should not continue until a decision on the request has been made and communicated to the tenant

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Language Access Plans (LAP) Limited English Proficiency (LEP)

Language Access Plan (LAP)

- Federal Fund recipients must ensure meaningful access by persons with limited LEP

  NCHFA requires all recipients to complete a Four Factor Analysis
- A copy of the NCHFA Guidance for Developing a Four Factor Analysis and LAP and HUD's Language Services Resources Memo is provided in the "Resources" section of this training book.

Limited English Proficiency (LEP)

After deciding what language assistance services are appropriate, develop a plan to address needs of the LEP population served

Elements to consider

- Who needs assistance and what language assistance is needed
- Identify points of contact staff may have with LEP persons
- Identify ways language assistance will be provided
- Provide appropriate translated notices to LEP persons (ex. eviction notices, emergency plans)
- Provide interpreters for meetings

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Common Fair Housing Law Violations

Some of the most common Fair Housing Law violations include:

- Refusing to rent based on protected class
- Treating tenants differently
- Asking prohibited questions
- Failing to make reasonable accommodations
- Discriminating based on source of income

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Fair Housing Tip: Training

Kathi Williams , The Fair Housing Institute
(770) 826-6573 – www.fairhousinginstitute.com

SAHMA
(800) 745-4088 – www.sahma.org

John Ritzu, Fair Housing FIRST
(312) 913-1717 – www.FairHousingFIRST.org

Don't forget about your local Apartment Association and NCHFA for Fair Housing Classes

NCHFA Fair Housing Training Offered Virtually

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SUPPORTIVE HOUSING OVERVIEW

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Development Phase

Who can apply?

- Units of Local Government
- Nonprofit Organizations
- For-profit Organizations (Olmstead type projects)

How can we build?

- New Construction
- Rehabilitation
- Acquisition/rehabilitation

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Development Phase – Housing Use

Emergency Housing
Housing that provides temporary shelter in a supportive living environment for up to 90 days

Transitional Housing
Housing that provides a living environment for up to two years, at the end of which residents are able to move to permanent housing

Permanent Housing
Housing that provides long-term residency, typically utilizing a lease agreement

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Development Phase

What type of housing can we build?

- Homeless and Domestic Violence Shelters
- Single Room Occupancy (SROs)
- Housing for Substance Use Treatment Programs
- Re-entry Housing
- Foster Care Homes for Children or Youth
- Independent Apartments

Must include or make available supportive services for residents

Pre-application meetings and site visits required prior to submission of application

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For funding information contact:
shdevelopment@nchfa.com

Development Phase – Program Requirements

Eligible Populations:

- Persons with substance use disorders
- Survivors of domestic violence or sexual assault
- Persons with mental, physical, or developmental disabilities
- Persons experiencing homelessness or imminently at risk of homelessness
- Children in foster care, youth aging out of foster care or other licensed facilities
- Adults reentering community after release from correctional facility

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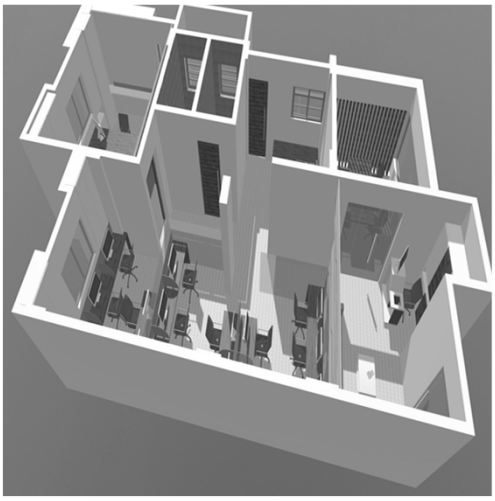
Individuals and Families at or below 50% of area median income
Rent and utilities must be less than 30% of targeted household income

Development Phase – Program Requirements

- 100% of the units in the project can be targeted for low income households or a smaller percentage
- The number of units/beds that must be occupied by low income households is found in the Deed Restrictions and Loan Documents
- Modifications to existing requirements must be made by letter format from the Agency in **ADVANCE**.



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Development Phase – Program Requirements

Participating organizations may not:

- Restrict occupancy to a particular disability
- Make participation in supportive services or treatment plans a condition of residency or ongoing occupancy
- Inquire about the nature/extent/specifics/etc. of someone's disability
- Discriminate against any employee or applicant for employment on the basis of religion.
- Discriminate against any person applying for housing or supportive services on the basis of religion.
  - Require religious programs as a condition of occupancy
  - Require religious instructions or counseling
  - Require attendance at religious services or worship

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Development Phase – Program Requirements

Local human service providers that are also owners/management agents must ensure confidentiality of resident information (i.e. landlord should not know tenant's medications)

A good way to ensure confidentiality is to maintain separate files.

- One file for the housing issues which includes annual certification and supporting documentation
- A separate file for tenant's treatments, services and medications

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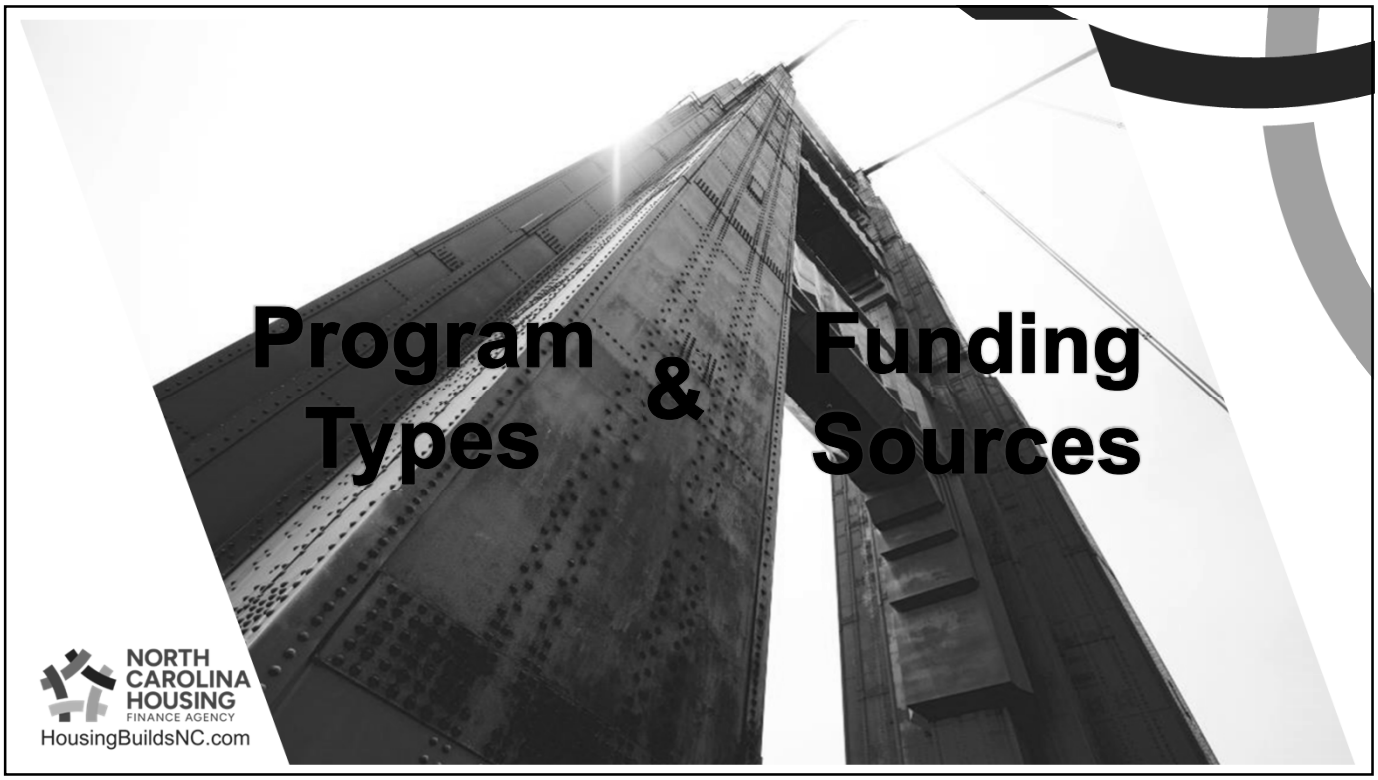

Supportive Housing Programs

Supportive Housing Development Program (SHDP)

Program to help nonprofit organizations and local governments build and rehabilitate emergency and permanent housing for people who are experiencing homelessness and/or at imminent risk of homelessness, have disabilities or other special needs.

- For more information contact Supportive Housing Development, shdevelopment@nchfa.com

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Supportive Housing Programs

Supportive Housing Rehab Loan (SH-Rehab)

- Funding to support existing SHD projects to maintain decent, safe and sanitary housing
- Provides gap financing for necessary rehabilitation
- Current replacement reserve balance will be taken into account when reviewing the rehabilitation cost.
- Loan will be forgiven at 20% per year as long as property remains affordable housing, continues to serve an NCHFA-approved target population, has no unaddressed monitoring findings, and stays in compliance with other governing restrictions.
- For more information contact Supportive Housing Development, shdevelopment@nchfa.com

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Supportive Housing Programs

Supportive Housing American Rescue Plan (SHARP)

- Funded with Federal HOME-ARP funds
- To assist people experiencing homelessness, those at risk of becoming homeless and other vulnerable populations.
- Rental Housing with the possibility of operating assistance
- Non-congregate shelters for qualifying populations
- For more information contact Supportive Housing Development, shdevelopment@nchfa.com

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Supportive Housing Funding Sources

Housing and Urban Development (HUD) offers funds under the HOME program which is a federal block grant used for:

- Affordable rental housing - acquisition, rehabilitation or new construction
- Homeowners - assist existing owners with repairs, rehabilitation or new construction
- New Homebuyers- develop homes through acquisition, rehabilitation, or new construction
- Provided to States and Localities

the HOME program

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Supportive Housing Funding Sources

- State funded resource for supportive housing
- Provides gap financing and rehabilitation funds for rental developments
- Provides rental assistance for the DHHS Targeting Program

HOUSING TRUST FUND

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Loan Requirements

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Loan Requirements – Primary Documents

- The Commitment Letter
  - Description of the property
  - Original requirements at the time of the owner's application
- Promissory Note
  - Terms of loan repayment
  - Interest rate
- Declaration of Deed Restrictions
- Loan Agreement
  - Description of the property
  - Reserve account requirements
  - Financial audit requirements
  - Insurance requirements
- Deed of Trust
  - Description of the property
  - Property tax requirements

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Loan Requirements – Primary Documents

Declaration of Deed Restrictions Contains:

- Description of the property
- Length of compliance period
- Compliance monitoring requirements
- Income targeting
- Initially approved rents
- Requirement for written approval for rent increases
- Program requirements
- Fair Housing requirements
- Affirmative marketing requirements

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EXAMPLE

Project: "Project" means a forty one (41) bed facility emergency and transitional housing for victims of domestic violence and homeless women to be known as [redacted] and [redacted] located on the Property.

Qualified Tenant: "Qualified Tenant" means a tenant household whose Household Income meets the Low-Income Occupancy Requirement and the Special Needs Requirement set forth below.

RESTRICTIONS:

At all times during the Term of this Agreement the Project shall meet the requirements set forth below:

Low Income Occupancy Requirement. It is the intention that 100% of the beds will be reserved for and occupied by individuals whose Household Income does not exceed 50% of the Area Median Income. However, at a minimum, at least 50% of the beds must be reserved for and occupied by individuals whose Household Income does not exceed 50% Area Median Income. The determination of whether a tenant meets this requirement shall be made by the Borrower at least annually on the basis of the then current income of such tenant and the guidelines established by the Program. Rents may only be increased with the Lender's prior written approval.

Affordable Rents Requirement. If applicable residents of these beds shall be charged no more than thirty percent (30%) of the targeted Household Income listed above for rent and utilities. When rental subsidies are combined with thirty percent (30%) of tenant income, total rent may not be more than the area Fair market Rent, as determined by The U.S. Department of Housing and Urban Development (HUD). Affordable Rents may be revised in writing by Lender as

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EXAMPLE

updated median income levels are provided by HUD. Each revision will be effective as of the date of the Lender's written notice. Rents may only be increased with the Lender's prior written approval.

Special Needs Requirement. 100% of the residential beds in the Project must be reserved for and occupied by victims of domestic violence and homeless women.

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EXAMPLE

Project: "Project" means new construction of a sixteen (16) unit apartment complex to provide permanent housing to formerly homeless persons and persons with disabilities on the [redacted]

Qualified Tenant: "Qualified Tenant" means a tenant household whose Household Income meets the Low-Income Occupancy Requirement and the Special Needs Requirement set forth below.

RESTRICTIONS:

At all times during the Term of this Agreement the Project shall meet the requirements set forth below:

Low Income Occupancy Requirement. It is the intention that one hundred percent (100%) of the units will be reserved for and occupied by individuals whose Household Income does not exceed thirty percent (30%) of [redacted] area median income. The Project may rent the units to Households whose income does not exceed fifty percent (50%) of the [redacted] area median income if they are unable to find households at or below thirty percent (30%) of the [redacted] area median income. However, at a minimum, at least fifteen percent (15%) of the units, three (3) units, must be reserved for and occupied by individuals whose Household Income does not exceed fifty percent (50%) of the area median income. The determination of whether a tenant meets this requirement shall be made by the Borrower at least annually on the basis of the then current income of such tenant and the guidelines established by the Program. Rents may only be increased with the Lender's prior written approval.

Affordable Rents Requirement. Initial rent, including utilities, for the residential units in the Project shall not exceed thirty percent (30%) of the Household Income of gross monthly income for a household whose income does not exceed thirty percent (30%) of the county's median family

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EXAMPLE

income, with adjustments for family size, according to the latest household income amounts available from HUD, as published by the Lender (the "Affordable Rents"). The Affordable Rents may be revised in writing by Lender as updated median income levels are provided by HUD. Each revision will be effective as of the date of the Lender's written notice. Rents may only be increased with the Lender's prior written approval. Rents on units developed with or otherwise receiving Program assistance may not be increased without the written prior approval of the Lender.

Special Needs Requirement. 100% of the residential units in the Project must be reserved for and occupied by formerly homeless persons with disabilities.

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Loan Requirements – Insurance

- Borrower shall keep or cause to be kept, in full force and effect, the following types of insurance coverage:
  - ✓Commercial Property (Hazard) Insurance
  - ✓Commercial General Liability Insurance
  - ✓Worker's Compensation Insurance
  - ✓Flood Insurance (if applicable)
  - ✓Fidelity Coverage
- Additional insurance may be required from time to time by Lender in order to comply with regular requirements and practices of Lender in similar transactions.

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NATIONAL FLOOD INSURANCE PROGRAM

Insurance
Requirements & Reminders

- Each policy of insurance shall be issued by one or more insurance companies, each of which must have an A.M. Best Company or Demotech (for nonprofits) financial and performance rating of “A-“or better
- All policies shall list the Lender’s name and address exactly as:

North Carolina Housing Finance Agency, ISOA, ATIMA
3508 Bush Street - Raleigh NC 27609-8066

- No longer standard practice for insurance companies to include the Loss Payee or Additional Insured on the insurance proceeds checks
- **<u>We expect to get notified of claims</u>**

<u>NEW Policy</u>

Report insurance claims by email
<u>insuranceclaims@nchfa.com</u>

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Loan Requirements – Insurance

- Promptly pay, or cause to be paid, all premiums when due on all insurance policies and not less than 15 days prior to the expiration dates of such policies
- Provide to Lender evidence satisfactory to Lender reflecting that all required insurance is current and active <u>annually</u>
- During the term of the loan, the Agency may require modifications to existing insurance or require additional insurance at its reasonable discretion

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Insurance Requirements

Available on the Agency Website

NORTH CAROLINA HOUSING FINANCE AGENCY

En Español | News | Events | Impacts | Research | Careers | Press | Investors | Help | Contact Us

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

- Compliance Manual
- Ownership/Management
- Resident Files

> Español

Ownership/Management

The following pages contain required and recommended forms, instructions, policies, checklists and current updates.

CURRENT UPDATES

State Noncompliance - NSPIRE

NCHFA HOTMA Guidance 2.0

LOAN REQUIREMENTS

Instructions for Data Entry of Insurance Requirements

Rent Increase Process

Reserve Request Process

Instructions are located here

https://www.nchfa.com/sites/default/files/page_attachments/InsuranceRequirements.pdf

Recent News

$43 Million Awarded to Reduce Homelessness and Housing Insecurity in North Carolina
December 22, 2023

Workforce Housing Check to Be Given at Valley River Apartments in Murphy, December 1
November 22, 2023

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Reserve Request

- There are two types of reserve accounts required
  - ✓Replacement Reserves
  - ✓Operating Reserves, if applicable
- All properties with an active Agency loan are required to gain prior approval before withdrawing funds from reserve accounts
- The required deposits for both account types will be found in the loan documents for the property
- All requests to withdraw funds are submitted into RCRS
- If reserve accounts are underfunded, we may deny future requests until the accounts are funded properly

Replacement Reserves

Submit Request in RCRS

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Failure To Get Approval…

Withdrawing monies from either reserve account without Agency approval may result in management/ownership not in good standing with the Agency and noncompliance for the project

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Replacement Reserve

- Used for capital improvements and replacement items (not repairs)
- Monthly deposits are made
- If requesting for reimbursement of expenses, management must provide actual invoices
- If requesting for prior approval, management must provide two to three comparable bids
- Include in the request
  - ✓Most recent bank statement
  - ✓Trial Balance
  - ✓Invoices (or bids)

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Replacement Reserve Requirements

- $250 per unit per year for new construction and $350 (PUPY) for rehabs, with deposits escalating by 4% per year
- $250 per 750 square feet per year for emergency, transitional or other non-licensed shared housing (up to a max of $5,000/year)
- $250 per 1000 square feet per year for licensed group homes

This is not enough to fund long term needs of the property

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Routine replacement items (such as carpet/flooring) may be submitted quarterly or annually

Replacement Reserve Requirements

- 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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Replacement Reserve Requirements

Eligible Items

- 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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Replacements Reserves Typically Not Approved

- 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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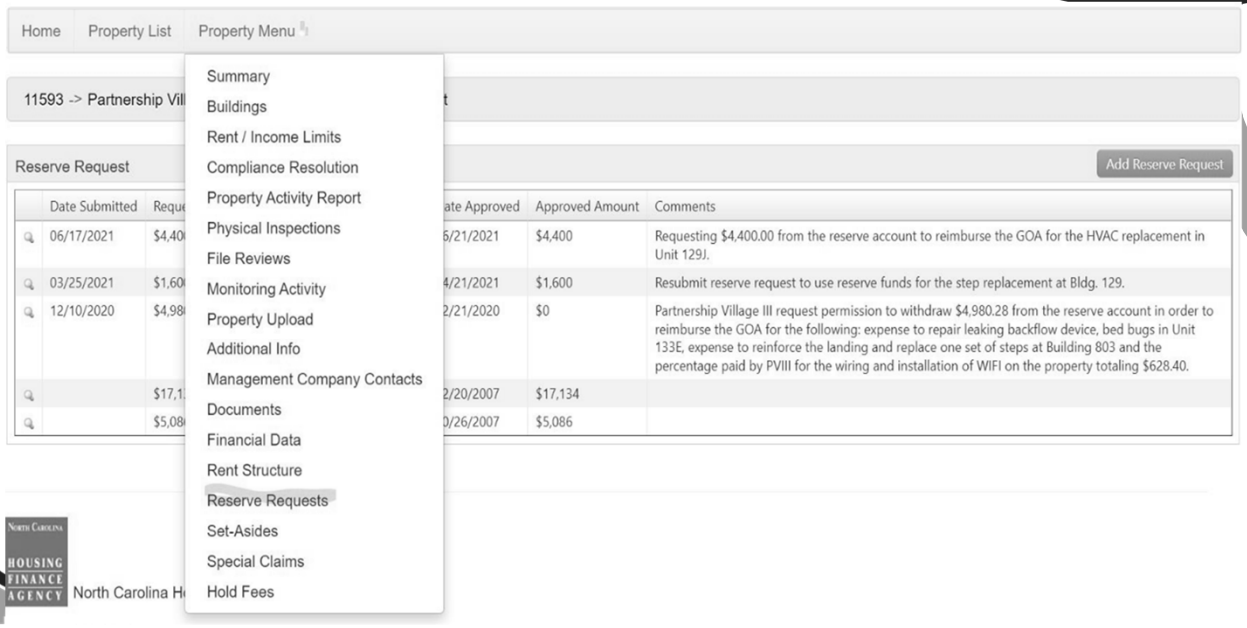
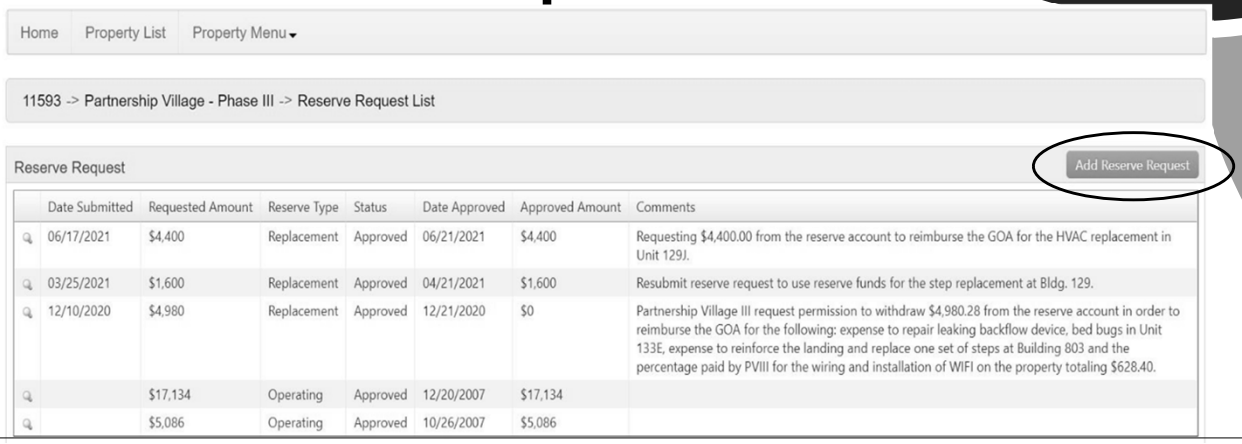
Insurance Claims

RCRS: Reserve Requests



RCRS: Reserve Requests



Reserve Request - Agency training video:
https://www.youtube.com/playlist?list=PLk5MC3cDIqXUWC7HVEZiZ3ItKlofl2R6O

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Top 5 Reserve Request Issues

- **Failure to submit requests: taking money from reserve accounts without agency approval, or submitting after monies have already been withdrawn**
- **Attempting to submit/open more than one request at a time**
- **Requesting reimbursement for noneligible items**
- **No summary page for large requests showing the breakdown of the request**
- **The attachments included are incorrect (wrong property, wrong documents, not legible, etc.)**

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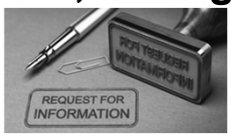

Need Additional Help With Reserve Request? Have Questions?

Contact Randa McCauley
rjmccauley@nchfa.com
(919) 981-2691

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Visit our YouTube Channel for Reserve Request step by step instructions

https://www.nchfa.com/sites/default/files/page_attachments/NCHFA%20-%20Reserve%20Request%20Process%20(1).pdf

Audited Financials

- Audited financials are required to be submitted through RCRS annually for projects with Agency funding.
- For FYE 12/31, audited financials are due 5/1
  - Allowances can be made for extending the reporting date due to IRS tax season.
- For any other FYE, they are due 120 days after that date
- Failure to submit audited financials may result in management/ownership not being in good standing with the Agency and noncompliance for the project.

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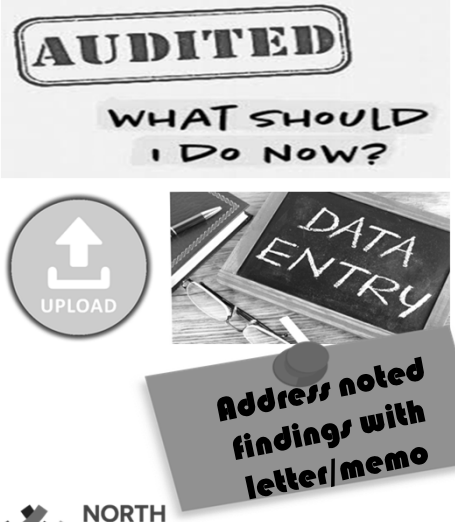
Audited Financials



- Upload PDF version of the audited financial & enter data into RCRS
- Audit should be prepared on a comparative basis, showing two years of data (including reserve accounts activity)
- For SHDP Only: An audit of an umbrella group/sponsor is allowed; however, property specific data must be identified within the audit or in an attached schedule
- All available information must be entered
- Findings noted by auditor must be addressed with a letter/memo noting all actions taken to correct

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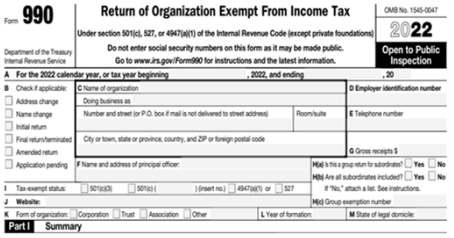
Audited Financials

For smaller projects, in lieu of audited financials, an IRS 990 or financial statements are acceptable.

<u>The following must be submitted in reasonable detail and certified by Borrower:</u>

- Balance Sheet
- Statement of Income & Expenses


Form 990 Return of Organization Exempt From Income Tax
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)
Do not enter social security numbers on this form as it may be made public.
Go to www.irs.gov/Form990 for instructions and the latest information.
Department of the Treasury Internal Revenue Service
OMB No. 1545-0047
2022
Open to Public Inspection
A For the 2022 calendar year, or tax year beginning , 2022, and ending , 20
B Check if applicable: Address change Name change Initial return Final return/terminated Amended return Application pending
C Name of organization
Doing business as
Number and street (or P.O. box if mail is not delivered to street address) Room/suite
City or town, state or province, country, and ZIP or foreign postal code
D Employer identification number
E Telephone number
G Gross receipts $
F Name and address of principal officer:
H(a) Is this a group return for subordinates? Yes No
H(b) Are all subordinates included? Yes No
If "No," attach a list. See instructions.
I Tax-exempt status: 501(c)(3) 501(c) ( ) (insert no.) 4947(a)(1) or 527
J Website:
H(c) Group exemption number
K Form of organization: Corporation Trust Association Other
L Year of formation:
M State of legal domicile:
Part I Summary

NORTH CAROLINA HOUSING FINANCE AGENCY
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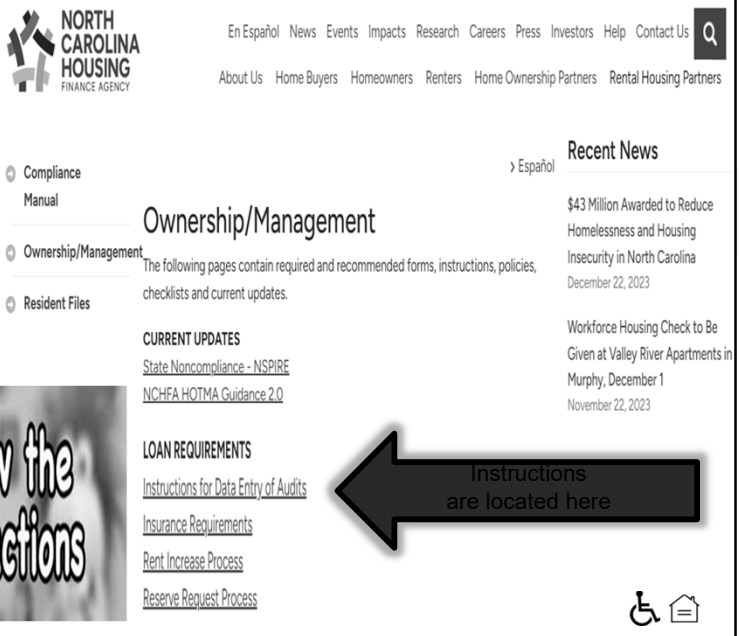
The Agency has forms for your use along with the Borrower Certification.

Instructions – Audit Data Entry

- Instructions for Data Entry of Audits can be found on the Agency's website under Rental Housing > Rental Owners & Managers > Policies, Resources and Forms > Ownership/Management

https://www.nchfa.com/sites/default/files/page_attachments/DataEntryAudits.pdf



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Financial Audits - Deal or No Deal
Common Issues That Break the Deal

- Late submissions
- 2. Submitting the audit but not completing the data entry section in RCRS
- 3. Submitting balance sheets and other printouts in place of the audit
- 4. When completing the data entry, using numbers from some other source that does not match the audit

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Need Additional Help With Financial Audits? Have Questions?

Financial AUDIT Help

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Monitoring Requirements

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Required Forms

Required for ALL households

Participant Eligibility Certification

- Revised Form – Updated 3/2023
- Household certifies meeting the special occupancy requirement

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SHD PARTICIPANT CERTIFICATION

Completed by each household indicating the special needs population met per Regulatory Agreements/Documents

Development Name: _____

Head of Household Name or ID: _____ Unit No/Bed No/ID No: _____

This is to certify that the above named individual or household meets the Special Needs occupancy requirement specified in the Declaration of Deed Restrictions. Please select which option best describes your current situation:

☐ **CATEGORY 1 - LITERALLY HOMELESS**

Individual or family who lacks, regular and adequate nighttime residence, meaning:

- Primary nighttime residence is public or private and not meant for human habitation;
- Living in a public or privately-operated shelter (congregate shelters, transitional housing and hotels and motels are paid for by charitable organizations or federal, state and local government)
- Exiting an institution where I have resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution

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Required Forms

Emergency/Shelter Housing

Tenant Affidavit

- Revised Form – Updated 12/2022
- Household certifying income eligibility at initial occupancy.

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SHD TENANT AFFIDAVIT

Completed at initial in-take for all households residing in short term occupancy arrangements such as Emergency Shelters, Hospice Care Facilities and Licensed Group Homes funded through NCHFA.

Date: _____

Development Name: _____

Head of Household Name or ID: _____ Unit No/Bed No/ID No: _____

READ THIS DOCUMENT CAREFULLY TO BE SURE THAT INFORMATION IS TRUE AND COMPLETE BEFORE YOU SIGN IT.

The Tenant Affidavit is valid up to 90 days. Residents residing longer than 90 days must complete an application, have income/assets 3rd party verified and sign a Tenant Income Certification.

PART 1 – SELECT ONE OPTION:

☐ I/we do not have any income at this time **(If selected, move to Part 3, then sign);**

☐ I/we do have income at this time pursuant to the description below **(If selected, move to Part 2, then sign);**

Total income includes: wages, salary, overtime pay, commissions, fees, tips, and bonuses before deductions; interest and dividend payments; TANF; social security benefits; annuities; pensions; retirement funds; disability benefits; alimony; child support; and other regular contributions – source documents will be provided upon request.

HOUSING FINANCE AGENCY
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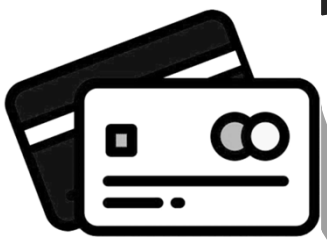
Required Forms

For Transitional and Permanent Housing



Asset Self-Certification

Revised 12/24 - Form must be completed unless third party verification of all assets is required i.e. HOME or combined assets exceed $51,600

- N/A for HOME funded projects
- All blanks must be completed (N/A vs. -0-)
- Asset disposition addressed

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ASSET SELF-CERTIFICATION

ANNUAL ASSET THRESHOLD: _____

For households whose combined assets do not exceed the annual asset self-certification threshold. Complete only one form per household; include assets of all household members including children. Form cannot be used for HOME/NHTF at move-in.

Development Name: _____

Head of Household Name: _____ Unit No: _____

Certification Type: ❑ Initial ❑ Recertification (Effective Date: _____)

PART 1 – SELECT ONE OPTION:

❑ I/we do not have any assets at this time (move to Part 2):
❑ I/we have the following assets (enter n/a if you do not own the respective asset):

Note: Be sure to include the value of any cash or other asset in a safe deposit box or any other means of storage.
*** Cash value** is market value minus cost to convert an asset to cash, such as broker's fees, settlement costs, outstanding loans, penalties for early withdrawal, etc.

NON-NECESSARY PERSONAL PROPERTY							
TYPE OF ASSET	CASH VALUE*	INTEREST RATE (IF APPLICABLE)	ANNUAL INCOME	TYPE OF ASSET	CASH VALUE*	INTEREST RATE (IF APPLICABLE)	ANNUAL INCOME
Non-necessary personal property (non-account assets such as RVs, ATVs, boats, antique cars, stamp collections, etc)				**Annuities** (current balance)	$		$

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Required Forms

For Transitional and Permanent Housing

Tenant Income Certification

- The Tenant Income Certification is required at move in for permanent and transitional housing and is completed after verification of income and assets.
  - The HUD Income Certification required for developments with HUD project-based rental assistance is allowed in lieu of the NCHFA cert.

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Tenant Income Certification

☐ Initial Certification ☐ Recertification ☐ Other: _____

(MM/DD/YYYY)
Effective Date: _____
Move-in Date: _____

Part I - Development Data

Property Name: _____ County: _____ Agency ID# _____ ID# _____

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)	Last 4 digits of SS#	Race	Ethnicity	Disabl
1				HEAD					
2									
3									
4									
5									
6									
7									

Part III - Gross Annual Income (Use Annual Amounts)

HH Mbr #	(A) Employment or Wages	(B) Soc. Security/Pensions	(C) Public Assistance	(D) Other Income

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Required Forms

Exceptions:

- Households comprised entirely of children do not have to complete an income certification
- Programs/loans with no income restrictions, such as licensed group homes are not required to complete a Tenant Income Certification

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RCRS Requirements

Unit events are required to be updated in RCRS within 30-days from the unit event date

- Move-ins
- Updates
- Move-outs
- Includes Market and Employee Units

Move-in documents uploaded within 30 days of move-in

- Lease-ups – 90 days allowed to upload

Recertifications: HOME Funded/DHHS Targeted

Document uploads are required for Targeting Units.

Don't Forget!
Update Vacancy and Referral
(if applicable)

- Vacancies
- Application Status

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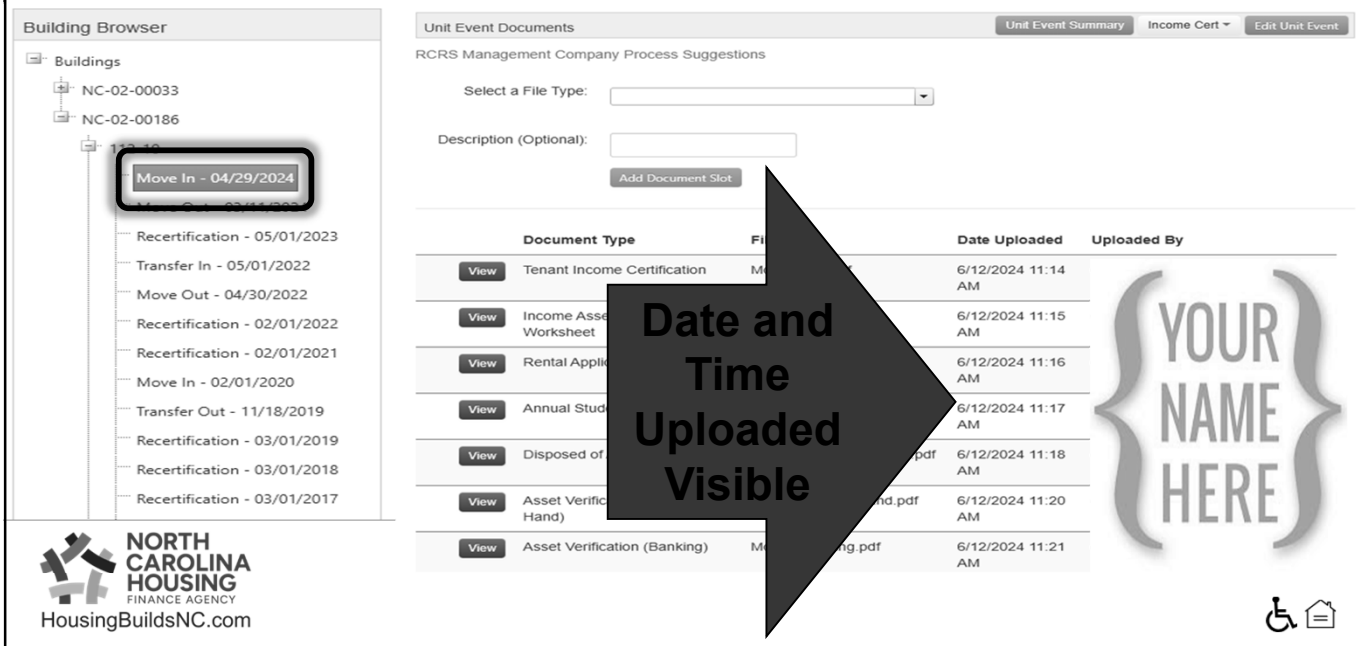
For additional RCRS instructions, when logging in RCRS, on the "Home" page, click on "Announcements" and select "Welcome! (Includes link to instructions)"

RCRS Reminders



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What is NSPIRE?

National Standards for the Physical Inspection of Real Estate

New HUD Inspection standard and scoring system

<u>Purpose</u>: modernize, align and consolidate inspections across programs

UPCS →

HQS →

NSPIRE

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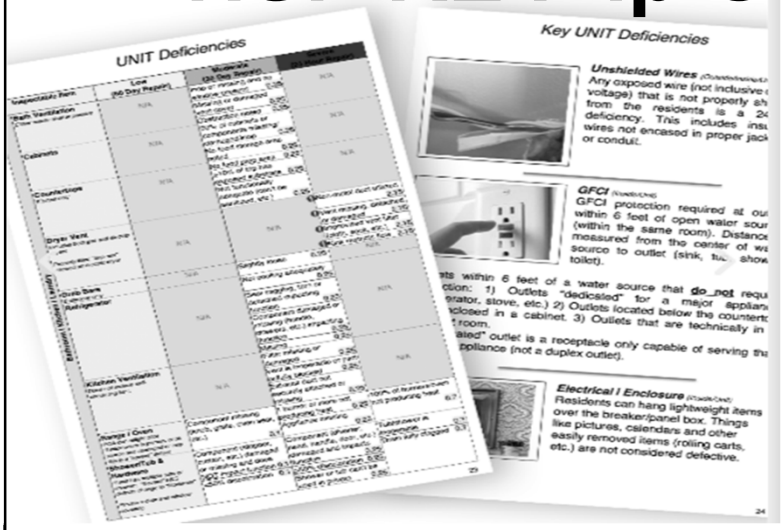
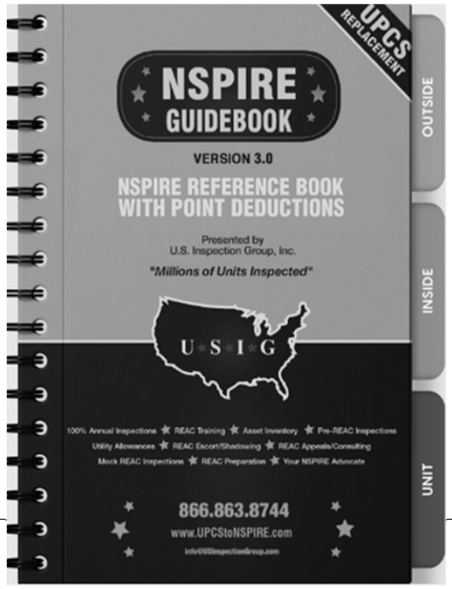
NSPIRE Flip Guide Book





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In-person participants will receive a copy of the Guide Book today

https://usinspectiongroup.com/

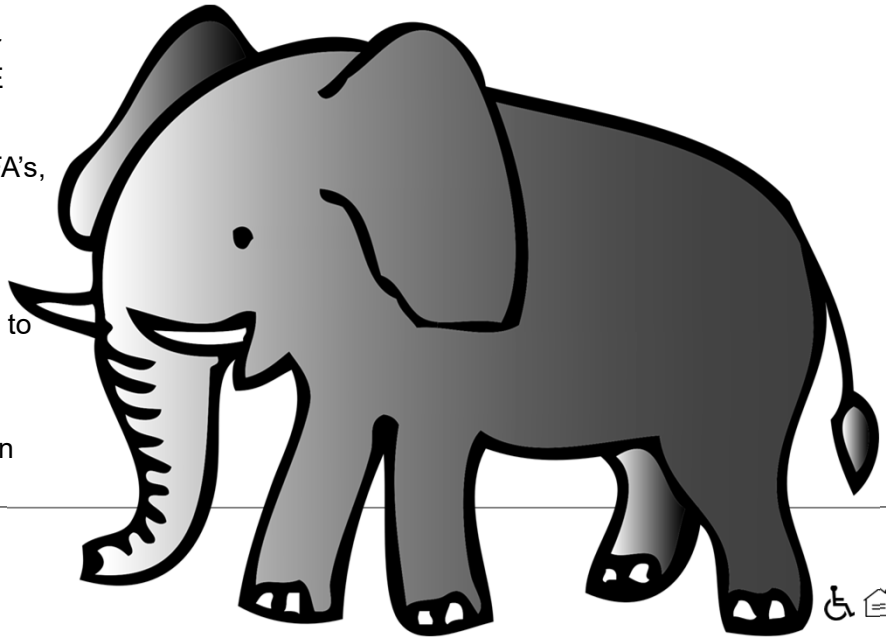
The Elephant in the room

For Owner Agents:
An owner agent may have to incur cost to bring property into NSPIRE compliance

No dedicated funds from HUD, HFA's, etc. to make necessary repairs or upgrades

Possible use of replacement reserves or project cash flow: talk to investors, lenders, other relevant parties

Lack of dedicated funding is **not** an excuse for noncompliance



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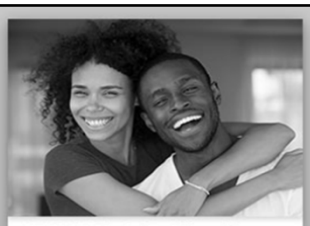
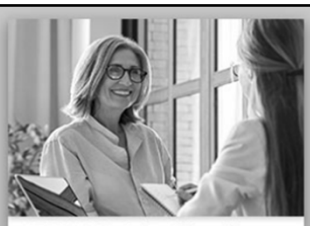


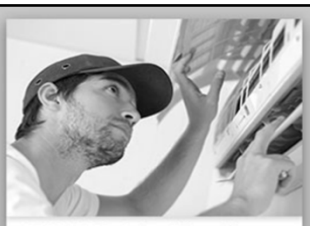
NSPIRE's Priorities for RESIDENTS

- Year-round maintenance with a unit-focused approach
- Prioritization of residents' health and safety
- Introducing resident surveys for better service
- Safe and habitable home



NSPIRE's Priorities for POAs & PHAs

- Increased inspection consistency
- Collaboration with HUD
- Ability to contribute input to standards
- Access to inspection data
- Reliable data and presentable reports for portfolio management and risk assessment



NSPIRE's Priorities for INSPECTORS

- Electronic-based inspections
- Increased inspection accuracy
- Clearly defined inspection standards and protocols
- Ability to capture pictures
- Collaboration with HUD

NSPIRE's Priorities for HUD

- Access to reliable, valid, and objective data
- Alignment of multiple inspection standards
- Adaption to industry change and modernization of health and safety standards
- Better performance assessments for HUD-assisted housing

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NSPIRE Priorities

NSPIRE Applicability & Timing

Applies to HUD Multifamily, PIH and CBD programs as well as SHD

Not applicable to Rural Development. RD was not previously using UPCS and will have a separate standard beginning in 2024 based on the Mortgage Bankers Association inspection standards

Effective Dates:

- 7/1/2023 for Public Housing
- 10/1/2023 for HUD Multifamily
- 10/1/2023 for other programs unless extension in place
  - HUD CPD delayed mandatory implementation until 10/1/2025, but PJs and Grantees may choose to implement sooner
  - HUD PIH delayed mandatory implementation until 101/2025 for voucher programs (not Public Housing), but encourages earlier adoption

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1/1/2024 Implantation Date for all NCHFA Funded Programs

NSPIRE Applicability Reminder

NSPIRE generally applies to <u>all</u> projects, not just new projects

- UPCS and HQS are fully replaced – no “grandfathering in.”
- Not based on allocation year or placed-in-service date, etc.

NSPIRE Guidance

Access NSPIRE Notices

https://www.hud.gov/program_offices/public_Indian_housing/reac/nspire/notices

Final Standards V3.0 Published 8/11/2023

https://www.hud.gov/program_offices/public_Indian_housing/reac/nspire/standards

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The 63 NSPIRE Standards

1. Address & signage
2. Bathtub & shower
3. Cabinet & storage
4. Call-for-aid system
5. Carbon Monoxide alarm
6. Ceiling
7. Chimney
8. Clothes dryer exhaust ventilation
9. Cooking appliance
10. Door- entry
11. Door- fire labeled
12. Door- general
13. Drain
14. Egress
15. Electrical- conductor, outlet, switch
16. Electrical- GFCI or AFCI outlet or breaker
17. Electrical- service panel
18. Elevator
19. Exit sign
20. Fence & gate
21. Fire escape
22. Fire extinguisher
23. Flammable & combustible item
24. Floor
25. Food preparation area
26. Foundation
27. Garage door
28. Grab bar
29. Guardrail
30. Handrail
31. Heating, ventilation, and air conditioning (HVAC)
32. Infestation
33. Leak- gas or oil
34. Leak- sewage system
35. Leak- water
36. Lighting- auxiliary
37. Lighting- exterior
38. Lighting- interior
39. Litter
40. Minimum electrical & lightin
41. Mold-like substance
42. Parking lot
43. Potential leaQ-based paint hazard- visual assessment
44. Private roads & driveways
45. Refrigerator
46. Retaining wall
47. Roof assembly
48. Sharp edges
49. Sidewalk, walkway, & ramp
50. Sink
51. Site drainage
52. Smoke alarm
53. Sprinkler assembly
54. Steps & stairs
55. Structural system
56. Toilet
57. Trash chute
58. Trip hazard
59. Ventilation
60. Wall- exterior
61. Wall- interior
62. Water heater
63. Window

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https://www.hud.gov/sites/dfiles/PIH/documents/6092-N-05nspire_final_standards.pdf

Unit	Inside	Outside
A "Unit" of housing refers to the interior components of an individual dwelling, where the resident lives.	"Inside" refers to the common areas and building systems within the building interior and are not inside a unit. This could include interior laundry facilities, workout rooms, etc.	"Outside" refers to the building site, building exterior components, and any building systems located outside of the building or unit. This includes things like sidewalks, parking lots, and retaining walls.

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NSPIRE Three Inspectable Areas

H&S Determinations

NSPIRE

Life Threatening	Severe	Moderate	Low
Deficiencies that, if evident in the home or on the property, present a high risk of death or severe illness or injury to a resident.	Deficiencies that, if evident in the home or on the property, present a high risk of permanent disability, or serious injury or illness, to a resident; or the physical security or safety of a resident or their property would be seriously compromised.	Deficiencies that, if evident in home or on property, present a moderate risk of an adverse medical event requiring a healthcare visit; cause temporary harm; or if left untreated, cause or worsen a chronic condition that may have long-lasting adverse health effects; or that the physical security or safety of a resident or their property could be compromised.	Deficiencies critical to habitability but not presenting a substantive health or safety risk to residents.

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https://www.hud.gov/program_offices/public_indian_housing/reac/nspire

Examples

	Outside	Inside	Unit
Life-Threatening	Gas dryer exhaust ventilation system has restricted airflow.	Structural system exhibits signs of serious failure.	Flammable or combustible material is on or near an ignition source.
Severe	A sharp edge that can result in a cut or puncture hazard is present.	Fire labeled door does not close and latch or self-close and latch.	Call-for-aid system is blocked.
Moderate	Trip hazard on walking surface.	Plumbing leak that allows for water intrusion in unintended areas.	Refrigerator component is damaged such that it impacts functionality.
Low	Water runoff is unable to flow through the site drainage system.	Auxiliary lighting component is damaged or missing.	Presence of mold-like substance at very low levels is observed visually.

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https://www.hud.gov/program_offices/public_indian_housing/reac/nspire

NCHFA Response Policy

All deficiencies/noncompliance require a response to the Physical Inspection Results Letter (within 30 days of receipt of letter)

- Life Threatening/Severe
- Moderate
- Low

Life Threatening and Severe items must be repaired within 24-hours

- Documentation that repair was made in that timeframe to be included in the Physical Inspection Response (30 days response)
- No 24 Hour separate documentation is required

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https://www.hud.gov/program_offices/public_indian_housing/reac/nspire

Repairs during the inspection

Continuing in 2025…repairs will not be allowed during the inspection process

- Consistent with NSPIRE
- Avoids delays during the inspection
- Prevents deferred maintenance

<u>The only exceptions are the following:</u>

- Install light bulbs in lighting fixtures to demonstrate that the fixture works as intended
- If bulbs are not available it will be recorded as an inoperable light fixture under NSPIRE
  - Each lighting fixture socket must have a bulb
  - Staff must bring bulbs with them to and leave in the light fixture
  - Staff may not leave the unit to retrieve bulbs
- Reattaching/plugging in electric stove elements or appliances
- Removing child safety protectors (e.g., outlet covers, cabinet/door locks, or oven knob protectors
- Plugging in bathroom exhaust vent fan
- Lighting pilot light of gas stove

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- Inspectors will not return to units to re-inspect
- Recorded as noncompliance even if the deficiency is repaired before the inspector leaves the property (items not listed above)

Top 5 NCSPIRE Noncompliance for 2024

- Electrical Ground Fault Interrupter GFCI or Arc Fault C: Unprotected outlet is within 6 feet of a water source.
- Water Heater: The relief valve pipping is missing or terminates greater for 6 inches or 2 inches from waste receptor flood level.
- Smoke Alarm: Smoke alarm is not installed where required
- Call For Aid System: System is blocked or pull chord is higher than 6 inches off the floor
- Fire Extinguisher: Fire extinguisher service tag is missing, illegible or expired.

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Final NSPIRE Reminders

- Passing an NSPIRE inspection does **not** mean that a property meets state or local building codes, International Fire Code (IFC), State (NCHFA) inspection standards or the accessibility requirements of the Fair Housing Act design standards, Section 504 or the American with Disabilities Act (ADA)
- Vice versa… passing another inspection including receiving Certification of Occupancy or having previously passes a UPCS or HQS inspection does **not** mean that a property will pass NSPIRE
- NSPIRE generally applies to **all** projects, not just new projects

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U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
NSPIRE
NATIONAL STANDARDS FOR THE PHYSICAL INSPECTION OF REAL ESTATE

State/Program Physical Inspection Policy Post-NSPIRE

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https://www.nchfa.com/sites/default/files/2024-12/StateNoncompliance-NSPIRE.pdf

North Carolina Housing Finance Agency: Policy Update 3.0
Physical Inspection Noncompliance Items
Effective January 1, 2024

Noncompliance – not included in NSPIRE

- Egress (sleeping rooms):
  - At least 2 points of egress must be unblocked (bedroom entry door AND a window)
    - Window: the full window must be open. Nothing above the window sill or blocking ANY part of the glassed opening
    - Door: must open to 90 degrees minimum and latch
- Egress (living space & bathroom):
  - Only needs 1 point of egress (only the door counts as egress)
    - Door must open to 90 degrees minimum and latch
- Vacant Unit: must be rent ready within 30 days (no outstanding repairs or maintenance issues)
- Dryer Vents: bird cage type covers observed on outside dryer vents (building code violation)
- Accessibility: All amenities, common areas, and accessible units must be in compliance

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Our policy can be found on our website
https://www.nchfa.com/sites/default/files/2024-12/StateNoncompliance-NSPIRE.pdf

NCHFA – Updated 1/2025

State Noncompliance – not included in NSPIRE

- Market Appeal:
  - Indoor furniture observed outdoors (common areas and tenant patios)
  - Excessive trash/litter/tires/furniture observed throughout property
  - Cable/Telephone boxes: covers missing/exposed wires
  - Graffiti: More than 1 sq. ft & permanent OR Vulgar/gang related/threatening in ANY size
  - Non-working abandoned cars (wrecked, flat tires, safety concerns, used for storage)
  - Discarded smoking material in the mulch beds (potential fire hazard)
  - Vegetation:
    - Vegetation in unintended areas: nothing can touch roof/siding/mechanical equipment or other unintended surfaces.
    - Overgrown/excessive on fencing to where it affects curb appeal
    - Overgrown/excessive vegetation that blocks site exterior pole lighting
- Fencing:
  - playground fencing must work as intended
  - decorative/dumpster enclosures no more than 20% damage (of total fence coverage)
  - If sharp edges are observed, that will be noted as a health & safety violation
- Wasps nests in common areas or areas that are subject to regular human contact or passage
- Grease discarded on building components or in the landscape bedding around the building
- Parking Lot:
  - Pooling of oil observed
  - Damages that result in cracks/gap/spalling at parking lots/driveways/roads that are under the supervision of management can be considered trip hazard, as these areas can be used by pedestrians

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https://www.nchfa.com/sites/default/files/2024-12/StateNoncompliance-NSPIRE.pdf

- Retaining Walls: any size wall showing any sign of rot/deterioration/missing wall components (not landscape borders less than 1ft)
- Erosion/Ponding:
  - Large areas where soil has been displaced due to storm water
  - Ponding where water is within 25 ft of building and no rain within 48 hours
  - Any exposed footings on walkways and/or buildings (NSPIRE only cites when the rebar is exposed)
- Roof: observed 2 or more missing shingles in a single area of a roof
- Flammable Material: no gas/lighter fluid/self-starter charcoal can be in an enclosed space that is in or attached to a living space (NSPIRE only counts if within 3 ft of heat source)
- Tires and/or car parts observed in the unit and/or storage
- Broken water heater pan or plug missing
- Trip hazard: including non-temporary cable/power cords, torn/lifted carpet, damaged thresholds
- Unintended Drop-Offs: any sudden drop off a walkway greater than ¾"
- Range:
  - Appliance control display settings are faded/illegible
  - Only oven safe items can be stored inside oven
  - Silicone/foil/disposable liners under burners or oven elements are not acceptable
- Kitchen Cabinetry: more then 20% of cabinetry is damaged (NSPIRE allows for 50%)
- Kitchen Ventilation: self-circulating and vented range hoods will be treated as equal (NSPIRE does not inspect self-circulating)
- Any unit or room that is locked and not inspectable – regardless of the reason
- Evidence of feces or urine in unit or indoor common areas (pet or human)
- Tub: faucet or spout pulled away from wall (allows for water penetration)

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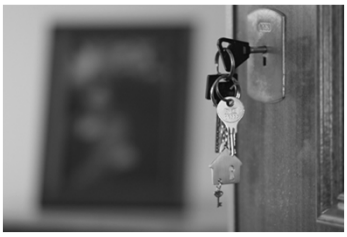
https://www.nchfa.com/sites/default/files/2024-12/StateNoncompliance-NSPIRE.pdf

- Drug Paraphernalia of any kind observed
- Open flames left unattended (Such as candles) and/or incense being burned in/on anything other than an incense burner (example: in light switches, walls, slats of doors, laying on counter tops)
- Repairs must be made with like material and in a professional manner (in all inspectable areas)
- Tenant-provided fire extinguishers must remain charged and in operable condition
- Vacant Units: Utilities are not turned on during the inspection
- Vacant Units: units vacant over 6 months (rent ready or not) with no move-in scheduled
- Walls: Peeling/missing paint (regardless of year built) larger than 1 sq ft in a single room
- Electrical Panel: No items can be covering/blocking
- Sprinkler System: Any foreign object observed on the sprinkler head (NSPIRE allows for 75% coverage)
- Doors:
  - Interior Doors: any hole larger than 2" (golf ball size)
  - Storm Doors: inspectable and must function as intended (if screen included, will inspect like a window screen per NSPIRE)



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https://www.nchfa.com/sites/default/files/2024-12/StateNoncompliance-NSPIRE.pdf

Required Management Documents

- Tenant Selection Plan (bulletin board & RCRS)
- Affirmative Fair Housing Marketing Plan (bulletin board & RCRS)
- VAWA Emergency Transfer Plan (bulletin board only)
- Blank Lease (RCRS for RPP properties)
- Management Plan (approved in RCRS only for RPP)
- Tenant Grievance Procedures (bulletin board & RCRS – CHDO properties)

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https://www.nchfa.com/sites/default/files/2024-12/StateNoncompliance-NSPIRE.pdf

NSPIRE Items – Grace Period until October 1, 2025

- GFCI: Required in all "wet" locations (interior and exterior) within 6 feet of a water source. If a major appliance outlet in "wet" area, the outlet must be GFCI protected or a single use outlet
- Guardrails: Required for elevated heights of 30 inches or more
- **NEW** Fire Labeled Doors (all defects)

NSPIRE Items – No longer considered Grace Period and now considered NONCOMPLIANCE as of 1/1/2025

- Bathroom Ventilation: All bathrooms must have a means of ventilation (Either mechanical or a window)
- Smoke Detectors: All smoke detectors must be hard wired OR have a 10-year tamper proof battery
- Water Heaters: new requirement is for TPR piping to be between 2" and 6" from the floor/pan and be made of "approved" material

***HUD NSPIRE Resources:** https://www.hud.gov/program_offices/public_indian_housing/reac/nspire

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https://www.nchfa.com/sites/default/files/2024-12/StateNoncompliance-NSPIRE.pdf

Top 5 NCHFA Noncompliance Inspections

- Egress: Egress window blocked
- Vacant Unit: Vacant longer than 6 months (rent ready or not)
- QAP: Roll In Showers – missing weighted shower curtain on properties allocated 2006 or later.
- Management Company Processes: Move in not reported in RCRS
- Vacant Unit: Not Rent Ready

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The review process of File Reviews & Physical Inspections

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Rough Scheduling In RCRS

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
02/12/2025 9:00 A.M.	Physical Inspectio		Steven James		nchfa.com
02/25/2025 9:30 A.M.	Physical Inspectio		Randa McCauley		y@nchfa.com
02/25/2025 12:00 P.M.	Physical Inspectio		Randa McCauley		y@nchfa.com
03/13/2025 9:00 A.M.	Physical Inspectio		Krista Zimmer		@nchfa.com
March/2025	Physical Inspectio		Randa McCauley		y@nchfa.com
March/2025	Physical Inspectio		Randa McCauley		y@nchfa.com
March/2025			Ra		
March/2025			Krista Zim		
April/2025			Steven James		com
April/2025			Steven James		nchfa.com
April/2025	File Review		Lisa Alston		alston@nchfa.com
May/2025	Physical Inspectio		Randa McCauley	(919) 9	rjmccauley@nchfa.com
May/2025	File Review		Lisa Alston	(919) 877-566	lnalston@nchfa.com
June/2025	File Review		Lisa Alston	(919) 877-5669	lnalston@nchfa.com
July/2025	File Review		Lisa Alston	(919) 877-5669	lnalston@nchfa.com
September/2025	File Review		Lisa Alston	(919) 877-5669	lnalston@nchfa.com

If the status is rough schedule status, the "Date Scheduled" will show a month/year

If the physical inspection status has been confirmed, the "Date Scheduled will show a date and time, i.e. 3/13/2025 9:00A.M.

Contact information for Monitor conducting the Review

Monitoring schedule is available in RCRS annually by the end of January
Check often for revisions **(recommend to check monthly)**
Staff will email prior to the physical inspection to schedule the (30-60 days)
Contact the monitor if you have physical inspection schedule request for month of rough schedule
Reschedule request considered if requested at **least 2 months** in advance (rough schedule stage only)

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To access the monitoring schedule:
log into RCRS, click on the "Monitoring Home" Tab

Steps of the Review Process
Release of the Notification Letter

NORTH CAROLINA HOUSING FINANCE AGENCY

3508 Bush Street
Raleigh, NC 27609
919-877-5700
www.HousingBuildsNC.com

January 1, 2025

Beans Isaken
Better Than Yours Associates
1234 Treats Lane
Willow Waging, NC 27896

RE: Better Tasting Village **Agency ID 936785236985332**

Dear Beans:

The North Carolina Housing Finance Agency is responsible for the administration of certain affordable housing programs. Our administrative tasks include monitoring to ensure that owners maintain compliance with federal and state regulations as appropriate, to provide safe, decent, and affordable housing for eligible families and individuals, and have adequate documentation to establish that compliance.

The monitoring process includes periodic reviews of tenant files and property inspections. The purpose of this monitoring visit is to conduct an on-site inspection of the property including grounds, dwelling units, and common areas. Since we will need to enter some of the occupied units, please notify all of the tenants in writing, at least three days prior, of the impending inspection. We will not conduct the inspection if the tenants have not been properly notified, and this will be considered a compliance issue.

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Notification of review letters are sent via a RCRS generated email

Physical Inspections

- The Notification Letter will be released in RCRS 15-days prior to the inspection
- The notification letter will include the "Tips for A Successful Property Inspection" (updated 12/2023) and the "North Carolina Housing Finance Agency: Policy Update 2.0, Physical Inspection Noncompliance Items" (Effective January 1, 2024; updated 1/2025)

File Reviews

- 14-days from the date of receiving notification letter to respond
- Ensure that everything that is requested is provided
- Use the 14-days to review what will be reviewed

File Review Monitoring Frequency

<u>Timing of Reviews:</u>

- Supportive Housing Projects are monitored annually
- File reviews
  - Conducted on-site with the physical inspection (Combined Inspection) or
    *Emergency Shelters
  - Through RCRS, depending on the project type (Transitional or Permanent)

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File Reviews - What are we looking for?

<u>To be in compliance:</u>

- Units must be occupied by households that are restricted rent, certified, and income eligible
- Maintain a condition suitable for occupancy and meet program inspection protocols
- Project must meet the minimum set-asides
- Be available to the targeted population

Unit Mix

	Required	Reported
Market Rate Units	0	0
Employee Units	0	0
Low Income Units	68	68
Total Units	68	68
DHHS Tartgeting Units	7	7
Key Program Units	7	7
Home Units	0	0

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Preparing for the file review after receiving the notification letter

- File reviews are conducted through RCRS
- Review the Notification Letter to provide what is asked for
- Ensure Utility Allowance has been updated
- Ensure Management forms uploaded/current
  - Affirmative Housing Marketing Plan
  - Tenant Selection Plan
  - Etc.

What will you do with your 14-days?

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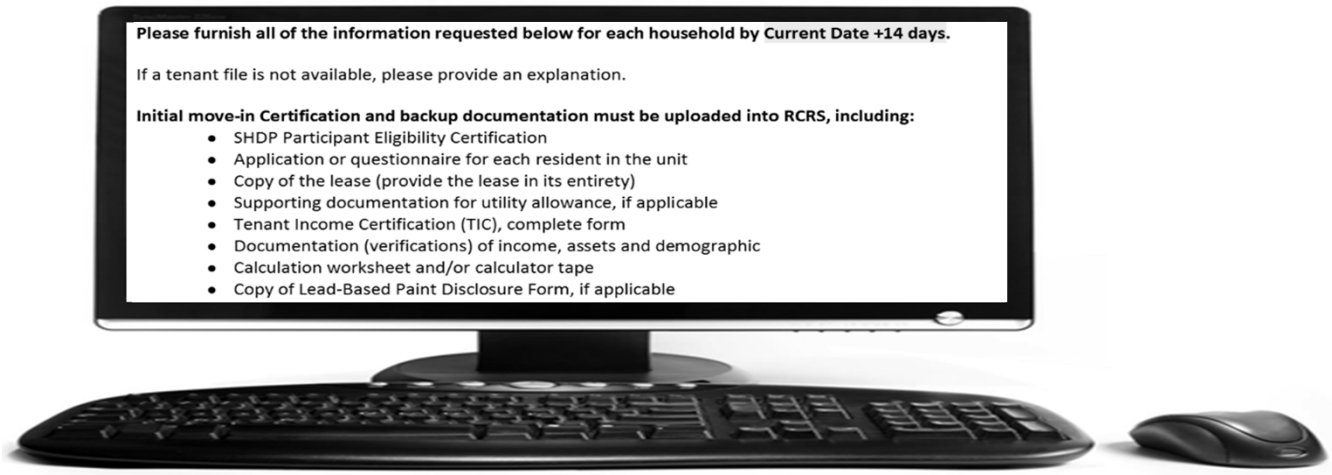
File Review Reminder



Please furnish all of the information requested below for each household by Current Date +14 days.

If a tenant file is not available, please provide an explanation.

Initial move-in Certification and backup documentation must be uploaded into RCRS, including:

- SHDP Participant Eligibility Certification
- Application or questionnaire for each resident in the unit
- Copy of the lease (provide the lease in its entirety)
- Supporting documentation for utility allowance, if applicable
- Tenant Income Certification (TIC), complete form
- Documentation (verifications) of income, assets and demographic
- Calculation worksheet and/or calculator tape
- Copy of Lead-Based Paint Disclosure Form, if applicable

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Only provide what is requested

Responding to File Review Noncompliance

- Do not include a copy of the results letter
- Ensure to include what is asked for in the letter
- Do not back date corrections
- Do not use the “True and Accurate as of…” Statement
- Comments/Concerns do not require a response, but should be addressed internally to avoid potential future noncompliance
- If clarification is needed, reach out to the monitor that conducted the file review
- Tip: Keep correction documentation in order of the Exhibit A

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Combined Inspection

Emergency Shelter

Combined inspection is a review of the files and the physical condition of the property.

- Monitor will request the most recent intake/move-in files to review.
- Management will need to provide housing documents (only) to be reviewed
- Management will need to make sure there is a space available for the files to be reviewed by the monitor either before or after the physical inspection takes place.

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Physical Inspections
Frequency and Sample Size

A list of units to be inspected will be presented after adjusting for previous circumstances

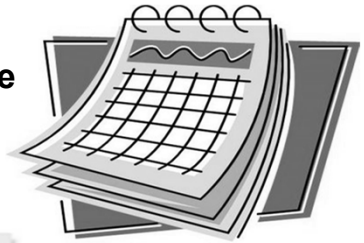
- 20% for less then 25 beds/units
- 10% for 25+ beds/units
- Units vacant over 30 days will be inspected

Sample Size Formula

$$S = \frac{Z^2 x P x Q}{E^2}$$

$$S_{small} = \frac{S}{1 + \left(\frac{S-1}{N}\right)}$$

Willfully offering misleading information to a inspector may result in the Agency placing the entire property in noncompliance status.



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Review Reminders

Physical Inspections: what are we looking for

- Conducted to ensure that the property and units are in compliance with the:
- National Standards for the Physical Inspection of Real Estate (NSPIRE)
- State specific requirements

Inspection Compliance Tips:

- Have a preventative maintenance schedule
- Walk your property on a regular basis
- Conduct random inspections
- When staff is inside apartments – look for work orders that need to be generated
- Budget properly for replacements and big repairs
- Deferred maintenance cost more in the future
- Notify staff of the rough schedule month in RCRS
- As soon as the inspection date is confirmed – notify everyone!

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Inspection Day
Annual Building Inspections

Annual third-party inspections of
building systems (if applicable)

- Elevator(s)
- Fire sprinkler, alarm systems, back flow
- Emergency backup generator, chiller and hot water boilers
- Rechargeable Fire extinguishers

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Inspection Day
Annual Building Inspections cont.

Reports must be available prior to the inspection, if they are not available on the day of the inspection, it will 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 failed inspection, time will be needed for service calls and re-inspections
- Reports showing failing results will put the building(s) and/or components in noncompliance

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Inspection Day
Units we will not inspect…

Special conditions when Agency
<u>staff may not want inspect certain units</u>

- Bedbug/insect infestation in apartment
- Resident is under eviction
- Unit is under a court related lock-out
- Resident who has a contagious illness
- Vicious dog barking or growling at the door and resident is not home
- A resident or residents that are verbally or physically abusive

NORTH CAROLINA LEASE TERMINATION LETTER
In Accordance with Section § 42-14

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(Check One)

☐ - I am your Landlord and this is the Tenant's official notice that their lease dated on the 5th day of July, 2023 will be terminated on the 31st day of January, 2023. Termination by the Landlord must be at least seven (7) days from the next payment date.

Review Reminders – Unit Selection

<u>Choosing units to be inspected:</u>

- Sample size is based on funding type and compliance period status
- Vacant Unit Inspection Policy: Prior to 2021, the policy was to enter all units that have been vacant for more than 30 days, up to a maximum of 10. For 2025, we will only inspect 20% of units vacant
  over 30 days due to the anticipated workload. This policy will be reevaluated annually for the next few
  years, until workload moderates
- The Agency may inspect additional vacant or occupied units as deemed necessary up to 100% of units

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<u>Reminder</u>

Vacant Units over 6 months (rent ready or not) will be inspected and state noncompliance issued if no move-in scheduled

Preliminary Inspection Report - Physical Inspection

Navigation Village / 978324
Quietest Route Road, Vacation Town NC 27839

03/20/2024 09:00 AM

Sick - 1016, 1020
Evictions - 1018
Bedbugs - None
Vacant Units - None

AFHMP - Uploaded in RCRS, Posted 3/23/2020
TSP - Uploaded and Posted - January 2021
Lease Uploaded
MP - Uploaded
5381 - Posted

Fire extinguishers 7/2023

Property Observations

Outside > 1234 Quietest (Building NC-95-14325)

Lighting - Exterior
A permanently installed light fixture is damaged, inoperable, missing, or not secure.

Cover missing on porch light. Unit 1003

Inside
Other
Other - Comment

Water heater relief valve requires 2-6 inches clearance. Will be cited as noncompliance effective 1/1/2025.

Unit Observations

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New Preliminary Inspection Report

- No more paper Physical Inspection Papers
- Copy of the Preliminary Inspection Report emailed to the signing management representative
  - Management representative responsible for forwarding management staff/owner
- If WIFI available at property, the copy can be received prior to the inspector leaving

Unit Observations

Bldg. 7 1234 Quietest Circle (NC-95-14325) Unit 777

Bedroom 1
Smoke Alarm
Smoke alarm is not installed where required.

Missing.

Warning: 24-hour correction required

24-Hour Correction Required

Bedroom 2
Smoke Alarm
Smoke alarm is not installed where required.

Missing.

Warning: 24-hour correction required

Bedroom 3
Smoke Alarm

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24H

The Preliminary Inspection Report

- Will identify corrections that must be made within 24-hours
- Corrective documentation should indicate repair made within 24-hours
- Included with Management's response to the results letter (30 days)

Home | Property List | Property Menu | Actions

96834 -> Navigation Village -> Physical Inspection Details -> 2024 Physical Inspection

2024 Physical Inspection — Return to Physical Inspections

General | Dates | Units | Findings

Findings

Standard Item	Deficiency	Building	Unit	Description	Notes	Finding Type	Finding Status	Date Corrected
Electrical – Ground-Fault Circuit Interrupter (GFCI) or Arc-Fault Circuit Interrupter (AFCI) – Outlet or Breaker	(24 Hour Fix) An unprotected outlet is present within six feet of a water source.	No Building Selected	No Unit Selected	Public Laundry Room - The laundry electrical outlet is not GFCI protected and within six feet of a a water source.	This issue is grandfathered for 2024 inspections, effective 1/1/12025, this issue will be cited as noncompliance observed.	Compliance Issue	Cleared	
Documents	Documents: Affirmative Fair Housing Marketing Plan	No Building Selected	No Unit Selected	The plan uploaded in RCRS is dated 10/26/2020. The plan posted at the property is dated 2/17/2006.	Provide evidence that the correct plan has been posted at the property.	Compliance Issue	Un-Corrected	
Documents	Documents: Tenant Selection Plan	No Building Selected	No Unit Selected	The plan uploaded in RCRS is dated 4/5/2020. The plan posted at the property is dated 10/18/2019.	Provide evidence that the correct plan has been posted at the property.	Compliance		
Wall - Interior	Interior wall has a loose or detached surface covering.	NC-98-00566	116	athroom 1				
Electrical – Ground-Fault Circuit Interrupter (GFCI) or Arc-Fault Circuit Interrupter (AFCI) – Outlet or Breaker	(24 Hour Fix) An unprotected outlet is present within six feet of a water source.	NC-98-00566				Issue	Cleared	
Smoke Alarm	(24 Hour Fix) Smoke alarm is not installed where required.	98-566	116		Provide a copy of the work order or invoice to document the correction.	Compliance Issue	Un-Corrected	
Smoke Alarm	not installed where required.	98-00566	116	om 2 => Missing.	Provide a copy of the work order or invoice to document the correction.	Compliance Issue	Un-Corrected	

24-Hour Correction Required

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24-Hour Correction Notice
Will show up in RCRS under the finding tab

Review - Results Letter

Exhibit A

Navigation Village
Wednesday, July 3, 2024

Noncompliance Issues:

Bin #	Unit #	Out of Complaince Date	Type of Noncomplaince	Noncompliance Identified	Corrective Action	Date Corrected
All	All	2/16/2024	IRS	The site sign is damaged and not legible	Please provide a work order or invoice documentiing the correctoin	Uncorected
NC-20-007777	77	2/16/2024	IRS	The hall smoke detecors is missing	Please provide a work order documenting the correction	Uncorrectd
NC-20-007777	77	2/16/2024	State	Observed evidience of smoking material (cigrette butts in the hall bathroom toilet	Please provide evidience that the violation was addressed with the resident	Uncorrected
NC-20-007777	All	2/16/2024	State	Observed a hole in the siding that allows water penetrtion to the left of Unit #77 entry door	Please provide a work order documenting the correction	Uncorrected

- Notifies Owner and Management of findings observed, and corrective action required if applicable
- Management will upload all responses (in PDF format) into RCRS within the allotted response timeframe (only noncompliance items require responses)

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Concerns or Comments:

Unit #	Concern or Comment	Suggested Improvement to Strengthen Management Practices, if applicable
All	The back of the building patio ceiling has damage surfaces that needs to be repaired.	

No Response Required For Concern or Comments

Exhibit A
Navigation Village
Agency ID. 97832
July 3, 2024

Noncompliance Issues:

BIN #	Unit #	Out of Compliance Date	Type of Noncompliance	Noncompliance Identified	Cor	Date Corrected
All	All	07/01/2024	State	Electrical – Ground-Fault Circuit Interrupter (GFCI) or Arc-Fault Circuit Interrupter (AFCI) – Outlet or Breaker-(24 Hour Fix) An unprotected outlet is present within six feet of a water source. => Public Laundry Room - The laundry electrical outlet is not GFCI protected and within six feet of a a water source.	This issue is gra effective 1/1 ctions, noncomp ited as	No Finding
All	All	07/01/2024	State	Documents-Documents: Affirmative Fair Hou Marketing Plan => The plan uploaded in R dated 10/26/2020. The plan posted a property is dated 2/17/2 6.	at the correct plan has been operty.	Uncorrected
All	All	07/01/2024	State	Documents-Documents: ant => The plan uploaded in The plan posted at the 10/18/2019.	evidence that the correct plan has been ted at the property.	Uncorrected
NC-98-00566	116	07/01/2024	State	Wall - Interior-Interior detached surface cove	Provide a copy of the work order or invoice to document the correction.	Uncorrected
NC-98-00566	116	07/01/2024	State	Electrical – Ground-Fa pter (GFCI) or Arc-Fault Cir FCI) – Outlet or Breaker-(24 Hour ected outlet is present within six feet of a wate source. => Storage area => The laundry electrical outlet is not GFCI protected and within six feet of a water source.	This issue is grandfathered for 2024 inspections, effective 1/1/12025, this issue will be cited as noncompliance observed.	No Finding
NC-98-00566	116	07/01/2024	State	Smoke Alarm-**(24 Hour Fix)** Smoke alarm is not installed where required. => Bedroom 1 => Missing.	Provide a copy of the work order or invoice to document the correction.	Uncorrected
NC-98-00566	116	07/01/2024	State	Smoke Alarm-**(24 Hour Fix)** Smoke alarm is not installed where required. => Bedroom 2 => Missing.	Provide a copy of the work order or invoice to document the correction.	Uncorrected

24-Hour Correction Required

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24-Hour Correction Notice will show up in the Results Letter

Failure To Make 24-Hour Repairs

24 hour repairs were not completed timely, and a continued practice of not making timely repairs may result in being not being in good standing with the Agency.

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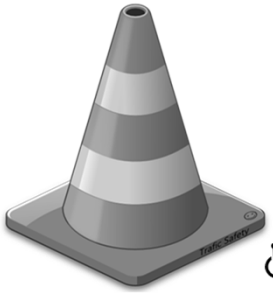
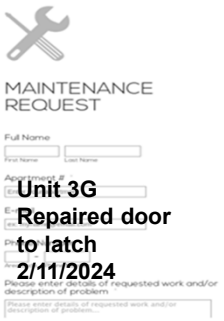
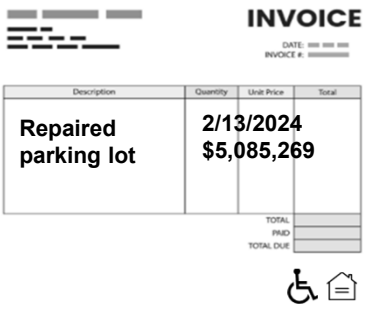


Responding to Inspection Noncompliance

- Provide a work order/invoice along with pictures documenting the correction
- Do not upload a copy of the visit response letter
- When to send an invoice/work order/Picture
  - Invoice – if a contractor/vendor does the work
  - Work Order – if staff completes repair
  - Picture – if requested by Agency Staff
  - Send only what is requested
- Make sure that the invoice/work order includes the date the work order is completed or it will be considered incomplete
- A bid or proposal is not satisfactory documentation that the noncompliance has been corrected





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Steps of the Review Process Release of the Final Report

Exhibit A
All Creatures Farm Community
Friday, February 16, 2024

Noncompliance Issues:

Bin #	Unit #	Out of Complaince Date	Type of Noncomplaince	Noncompliance Identified	Corrective Action	Date Corrected
All	All	2/16/2024	IRS	The site sign is damaged and not legible	Please provide a work order or invoice documentiing the correctoin	3/4/2024
NC-20-007777	77	2/16/2024	IRS	The hall smoke detecors is missing	Please provide a work order documenting the correction	Uncorrectd
NC-20-007777	77	2/16/2024	State	Observed evidience of smoking material (cigrette butts in the hall bathroom toilet	Please provide evidience that the violation was addressed with the resident	3/4/2024
NC-20-007777	All	2/16/2024	State	Observed a hole in the siding that allows water penetrtion to the left of Unit #77 entry door	Please provide a work order documenting the correction	No Findings

- After compliance monitor reviews management's response, the final report is released
- Notifies Owner & Management of corrective dates for noncompliance cited or cleared findings
- If items are left uncorrected, a compliance resolution packet will need to be submitted through RCRS to clear/correct items

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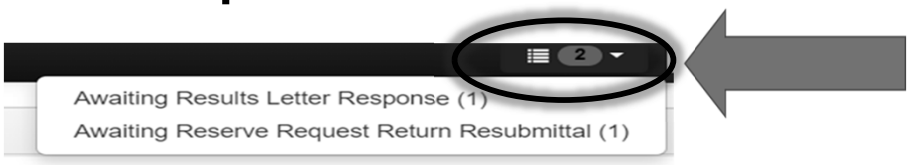
Steps of the Review Process
Compliance Resolution Packet



Will Not Show Up Here!

- Uncorrected noncompliance (State/Program) remaining from the closed monitoring review, must be corrected to remain in good standing (Owner/Management)
- The owner/management company creates/uploads compliance resolution packet in RCRS
- Monitor will review provided documentation and mark findings as: corrected, cleared/no finding/uncorrected with correction action plan required
- The Owner Response Follow-up letter uploaded in RCRS
- Agency does not send out reminder notifications of uncorrected noncompliance
- Instructional video on our YouTube Channel

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YouTube

Reporting Requirements
RCRS

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RCRS Sign In Update

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www.nchfa.org/mysystems

Reporting Requirements – RCRS

Ensure current and correct information regarding Management contacts is in RCRS.

Home | Property List | Property Menu

11350 -> Franklin Woods Townhomes -> Summary

Property Information

County:	Wake
Address:	2126,28,30,38,40,50,54 & 62 Spring Forest Rd, Raleigh, NC 27615
Program(s):	SHDP
Monitoring Type:	Loan Monitoring
Is Non-Profit Set Aside:	No

Unit Mix

	Required	Reported
Market Rate Units	0	0
Employee Units	0	0
Low Income Units	8	8
Total Units	8	8
DHHS Tartgeting Units	0	0
Key Program Units	0	0
Home Units	0	0

General

Project Type:	Family	
Construction Type:	Building	Type
	Franklin Woods	{none}
Supportive Service Required:	No	
Recertification Waiver Granted:	No	
Project Based Subsidy:	No	
Affordable Housing Products received from NCHFA:	Housing Trust Fund	
Other Non-Agency Funded Sources:	Local Public Funds Federal Public Funds	
Utility Paid By Resident:	{none}	

Management Agent Information

Name:	Passage Home, Inc.
Address:	PO Box 28165 Raleigh, NC 27611-8165
Phone:	(919) 834-0666
Agent Contact:	Steve Vebber
Email:	svebber@passagehome.org
Site Manager:	

Owner Information

Name:	Passage Home, Inc.
Address:	PO Box 28165, Raleigh, NC, 27611-8165
Phone:	(919) 834-0666
Contact:	Steve Vebber
Email:	svebber@passagehome.org
Tax ID:	56-1765360

Failure to update RCRS with property phone number or to tag appropriate staff in RCRS will be noted as non-compliance. If property does not have an onsite office, you should put the Management Company phone number

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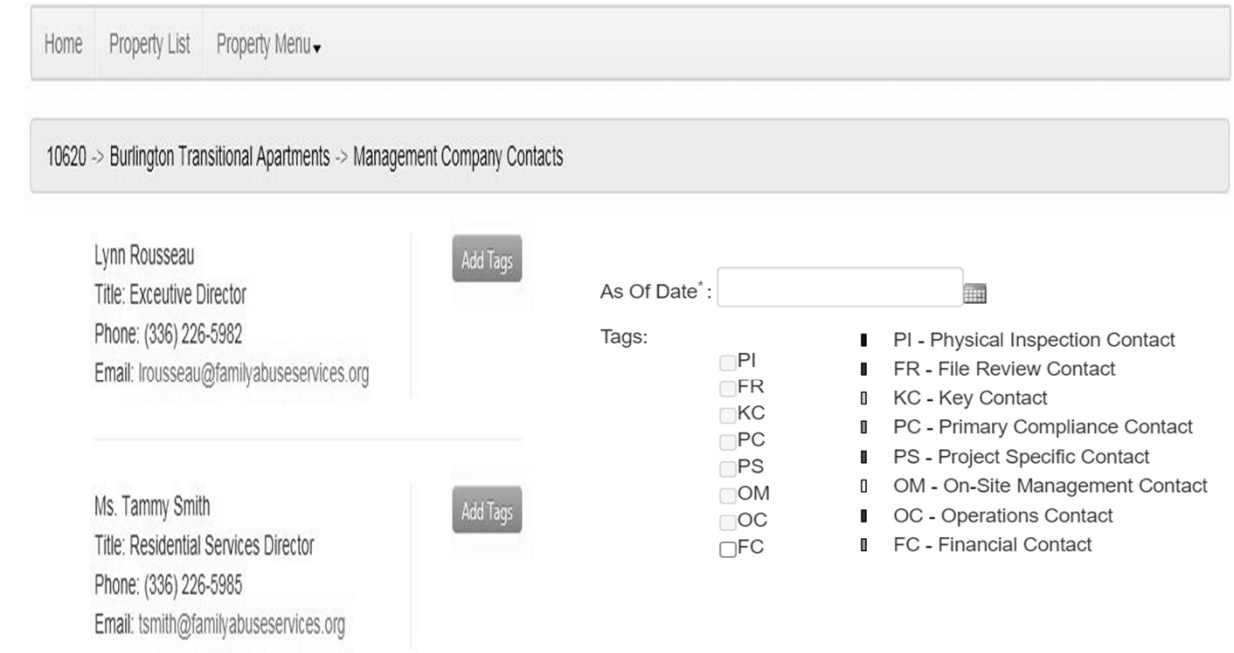
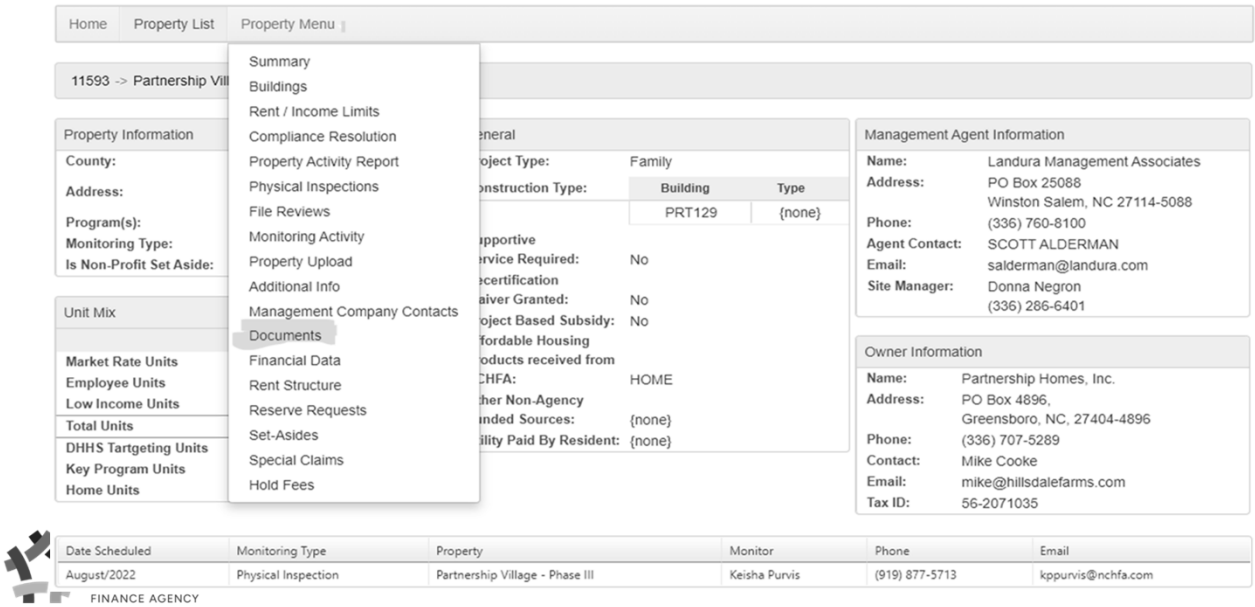


Manage User Accounts - Agency training video:
https://www.youtube.com/playlist?list=PLk5MC3cDIqXUWC7HVEZiZ3ItKlofl2R6O

RCRS Documents



Management Documents

Home | Property List | Property Menu

11593 -> Partnership Village - Phase III -> Documents

RCRS Management Company Process Suggestions

Management Documents

		Type	Last Received	Last Approved	Return Reason	Date Returned	Date Canceled	Canceled Reason
Upload	View	Affirmative and Fair Housing Marketing plan	06/07/2019	06/11/2019				
Upload	View	Blank Lease	05/02/2019	06/11/2019				
Upload	View	Tenant Selection Policy	08/23/2021	08/23/2021				
Upload		Management Plan						
~~Upload~~		~~External Inspection Documentation~~						
~~Upload~~		~~Completed Form 8609~~						

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Note: Not all spaces will apply. Only upload documents applicable to your property.

Feedback Documents

Feedback Documents

	Description	Created Date
View	2021 AOC Reminder Letter	02/02/2022
View	2022 File Review - SHDP Notification Letter	01/06/2022
View	2021 File Review - SHDP Final Report	10/05/2021
View	2021 File Review - SHDP Compliance Results Letter	06/15/2021
View	2021 File Review - SHDP Notification Letter	05/11/2021

1 2 3 4 5 6 7 8 Page size: 5 40 items in 8 pages

Agency communicates through RCRS. A history of those communications can be found under the feedback documents.

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Financial Documents

Financial Documents

	Description	Year	Created Date
View	0 Financial Data		11/20/2017
View	2019 Financial Data	2019	12/10/2020
View	2020 Financial Data	2020	10/04/2021

FINANCIAL AUDIT REQUIREMENTS

- An audited financial statement must be submitted to the Agency annually.
  - Only properties that are tenant funded (charge rents) are required to upload into RCRS. All RCRS submissions must complete the data entry requirements
  - For smaller projects, in lieu of audited financials, an IRS 990 or financial statement with balance sheet and income statement are acceptable.
- For SHDP Only: An audit of an umbrella group/sponsor is allowed; however, property specific data must be identified within the audit or in an attached schedule
- The audit should be prepared on a comparative basis, showing two years of data.
- The audit should be submitted no later than 90 days after the end of the property's fiscal year.

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Financial Data

Home | Property List | Download Data | AOC | Rental Assistance | Financial Data | Manage User Accounts | Add Vacancy | Property Search | Vacancy Search | Referral Search

Home

Announcements | V & R Home | Monitoring Home

Announcements - Click the title for additional information

- Agency Rent Increase Policy updated 10.5.2022
- Email Notification/Tags **Updated 4/21/2020**
- Welcome! (includes link to instructions)

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Financial Data

Financial Audit Data

10 records per page

Search: compass

APN	Property Name	Cycle	Date Submitted	Date Returned	Return Reason	
9173470	Compass Pointe at Meadow's Gate	2022				Start

Showing 1 to 1 of 1 entries (filtered from 34 total entries)

← Previous 1 Next →

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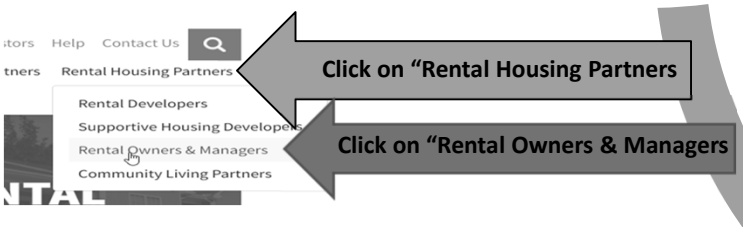
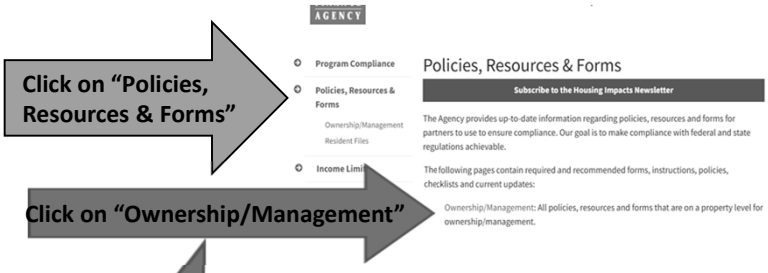
Financial Data Entry

Instructions for Data Entry of Audits can be found on the Agency's website under Rental Housing

- https://www.nchfa.com/rental-housing-partners/rental-owners-managers/policies-resources-forms/ownershipmanagement





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Annual Owner Certification

Annual Owner Certification of program compliance is required by **February 10th** of each year for the prior year.

Home | Property List | Download Data | AOC | Rental Assistance | Financial Data | Manage User Properties

Annual Owner Certification

Tanya Clark
tbclark@nchfa.com
919.877.5665

Submitted Annual Owner Certifications can be found on the documents page for the property in the AOC/Owner Affidavit Documents section

10 records per page Search:

APN	Property Name	Cycle	Date Submitted	AOC View	AOC Print	AOC History
11142	Carlton Apartments	2024		View		
11143	212 Boylan Avenue Apartments	2024		View		
11277	Shirley Stroebel Apts	2024		View		
11471	SOAR 2003	2024		View		
11477	CASA SOAR 2003 Part 2	2024		View		

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Proof of current State Licensure is required annually (if applicable)

Annual Owner Certification

Signed Certification generated and completed through RCRS

Home | Property List | Property Menu

11142 -> Carlton Apartments -> Owner Affidavit

It appears that RCRS has not been updated with all project activity for the reporting year. Please verify before completing the Annual Owner Certification

Owner Affidavit

Certification Dates: January 1 through December 31, 2024
Due: February 10, 2025
Project Name: Carlton Apartments **APN:** 11142
Project Address: 1131 Carlton Ave **City:** Raleigh **Zip:** 27606-2086

1. As the owner of special needs housing that has received financial assistance from the N.C. Housing Trust Fund/and or HOME, I am in compliance with all provisions of the executed Regulatory Agreement/Deed Restrictions that specifies my responsibilities in this Program. The Regulatory Agreement also specifies my reporting responsibilities that include the timely and accurate submission of this Affidavit to the North Carolina Housing Finance Agency.

○ Correct ○ Incorrect

2. The property meets the occupancy set asides as required under the Regulatory Agreement/Deed Restrictions.

○ Correct ○ Incorrect

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Annual Owner Certification - Agency training video:
https://www.youtube.com/playlist?list=PLk5MC3cDIqXUWC7HVEZiZ3ItKlofl2R6O

Annual Owner Certification

SUPPORTIVE SERVICES ACCESS PLAN (SSAP)

Annual Update

PROJECT NAME	
PROJECT ADDRESS	

01/25/2023

Date: (MM/DD/YYYY)

Contact Information			
	Owner	**Management Agent**	**Services Coordinator/Provider**
Organization			
Primary Contact			
Phone			
Email			
Street Address			
City, State, Zip			

Supportive Services Access Plan

- Details any changes to services offered, staffing, funding

If an Emergency Shelter, Transitional Housing or your unit event data is not entered into RCRS, you will utilize the Qualified Tenant Roll

NORTH CAROLINA HOUSING FINANCE AGENCY

SUPPORTIVE HOUSING DEVELOPMENT PROGRAM

QUALIFIED TENANT ROLL – EMERGENCY SHELTERS & LICENSED FACILITIES

Project Name: _____ Project Address: _____

This Qualified Tenant Roll documents occupancy for the calendar year ending December 31, _____.

Room Identifier (unit #, Bed #, etc.)	Entry Date mm/dd/yy	Name of Head of Household or Identifier		HOH Race	HOH Ethnicity	# of Occ	Gross Annual Income	Income Limit (30%,50%, etc.)	Income Eligible (Y/N)	Program Eligible (Y/N)
		Last Name	First Name							

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If your property has a State License, include a copy of the current license with your Annual Owner Certification

Annual Owner Certification

Rental Compliance Reporting System (RCRS)
Property Activity Report

Reporting period: Current 1/25/2023 2:18:33 PM

Please note the following:

If there are no events for the unit at all, 'NO' (Never Occupied OR No Activity) will be displayed in the unit type field.

If there are Mandatory Fees and the No other hightlight then the row will be highlighted in light purple.

If a Key unit does not have Key Assistance selected the Assistance Type will be highlighted in red.

Project Name: Compass Pointe at Meadow's Gate **Agency Project Number:** 9173470

Allocation Year:	0	**Owner Type:**	NP	**Total Units:**	8
City:	Jacksonville	**Project Type:**	Family	**Low Income Units:**	8
County:	Onslow	**Utility Allowance Type:**		**Total Buildings:**	1
PI Audit Frequency:	1 Year	**New/Rehab:**	New	**Project Based Subsidy:**	0
FR Audit Frequency:	1 Year	**Supportive Services:**	Yes	**DHHS Target Plan Required Units:**	0
		Recert Waiver:	No	**DHHS Target Plan Reported Units:**	0

If unit event data is entered into RCRS
Use the Property Activity Report

BIN:

BuildingAddress		Total Units	LI Units	Efficiency Units	1 Bedroom Units	2 Bedroom Units	3 Bedroom Units	4 Bedroom Units	MKT Units	EMP Units
1018 Arlington Meadows Dr, NC 28546	Required Units	8	8	0	8	0	0	0	0	0
Placed in Service Date	Reported Units	8	8	0	8	0	0	0	0	0
11/23/2015										

Unit No	Number of Bedrooms	Name	Unit Type	# of Occu-pants	Move In Date	Event Type	Event Date	Last Cert Date	Annual Gross Income	Income Limit	Applic-able Income Set-Aside	Tenant Rent pmt.	Housing Assist Pmt.	Type of Assist pmt.	Utility Allow.	Total Rent	Applic-able Rent Set-Aside	DHHS	HOME
1A	1 Bedroom	David Devone	LI	2	4/1/2018	R	4/1/2022	4/1/2022	22,020	25,350	<=50	398	108	SECTION8VOUCHER	97	495	<=50	N	N
1B	1 Bedroom	Edsel Britt	LI	1	6/1/2018	R	6/1/2022	6/1/2022	13,014	24,950	<=50	199	367	SECTION8VOUCHER	100	299	<=50	N	N
1C	1 Bedroom	Robert Strimaitis	LI	1	6/1/2018	R	6/1/2022	6/1/2022	10,333	24,950	<=50	150	416	SECTION8VOUCHER	100	250	<=50	N	N

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HOTMA Timeline

The Housing Opportunity Through Modernization Act of 2016 (HOTMA) was signed into law on 7/29/2016

- 9/17/2019, HUD issued a Proposed Rule to implement HOTMA
- 2/14/2023, HUD issued a Final Rule stating that Owners must fully comply with HOTMA on 1/1/2024

The Final Rule for HOTMA regulations took effect on 1/1/2024
(NCHFA allows early implementation if management is ready in 2024)

- 9/29/2023, HUD issued Supplemental Guidance and delayed implementation to allow Owners software to be updated with total compliance due 1/1/2025

1/1/2025 implementation date required for all HUD program and for all NCHFA funded properties has been delayed.

- 9/20/2024, HUD extends new deadline to 7/1/2025

7/1/2025 new implementation date required for all HUD programs and for NCHFA funded properties (may implement early if management i

NEW DATE

10/3/2024, Rural Development provided an update that implementation was being delayed until 7/1/2025. Additional guidance from RD can be found at https://www.rd.usda.gov/programs-services/multi-family-housing-programs

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Certification Overview
What changed with HOTMA?

1. Completed application/questionnaire
2. Determine household size
3. Verify the household's student status, income and assets
4. Calculate the household's total annual income
5. Compare the gross annual household income to the qualifying income
6. Complete the Tenant Income Certification "TIC"
7. Review process as required (compliance department or third-party)
8. Clarify/re-verify documentation/information as needed
9. Final approval received (if applicable)
10. Sign and date all documents
11. Move household in
12. Organize/complete the resident file

NEW

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A Well-Designed Application/Questionnaire is Key!

NCHFA HOTMA Delayed
New Effective Date: 7/1/2025

DELAYED

UPDATE

- After careful consideration, the Agency has decided to delay implementing HOTMA for properties in our portfolio until **7/1/2025**
- This will correspond with the implementation date imposed by HUD and RD
- The Rental Compliance Reporting System (RCRS) will be updated in time to allow for 1/1/2025 implementation date, as discussed in training
- Therefore if you are ready to move forward in January, please do so
- Major difference triggered by the change: All income certifications with an EFFECTIVE date of 7/1/2025 will be required to be HOTMA-compliant. (If we had implemented in January, we would go by signature date instead of effective date.)
- We have updated our forms with the most recent guidance
- The updated policy and forms will be available on our website

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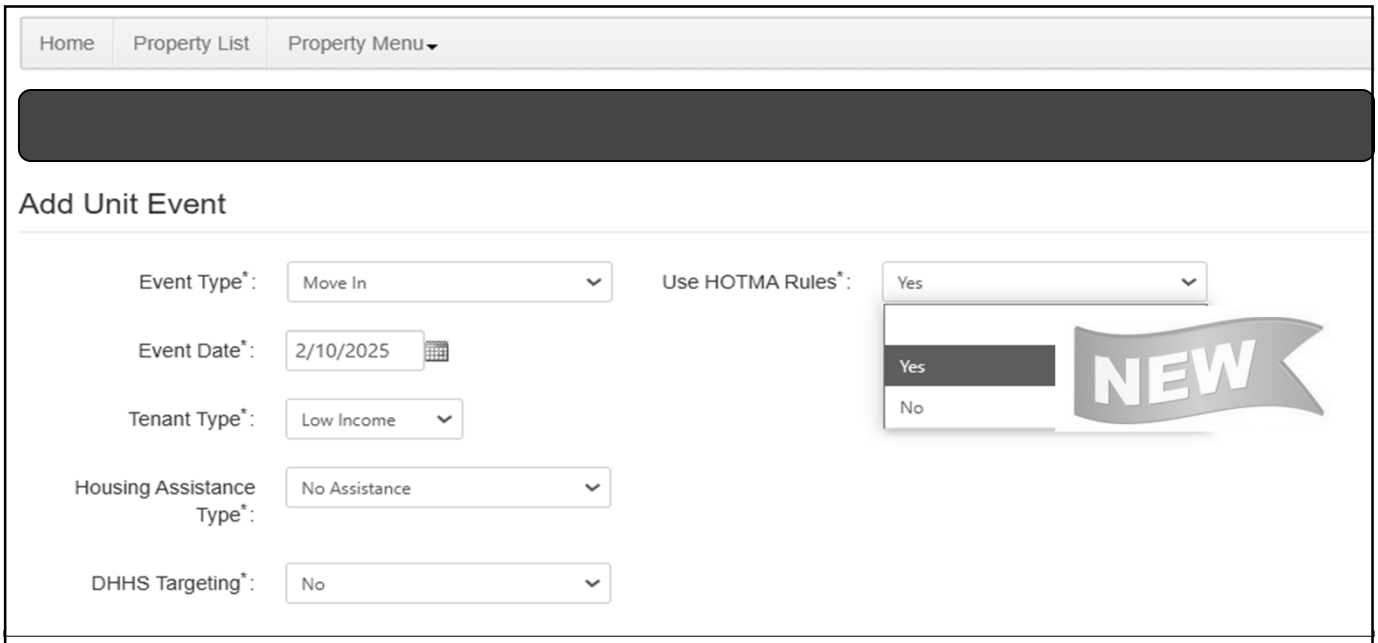
An email blast was sent out and announcement posted in RCRS on the RCRS Home Screen under Announcements on 11/27/2024



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Move-in Unit and Recertification Unit Events
Indicate if implementing the HOTMA rules

Adrian completes and signs his 7/1/2025 recertification paperwork on 5/28/2025. Because he completed the recertification before the NCHFA 7/1/2025 implementation date of HOTMA, does the recertification have to be HOTMA Compliant?

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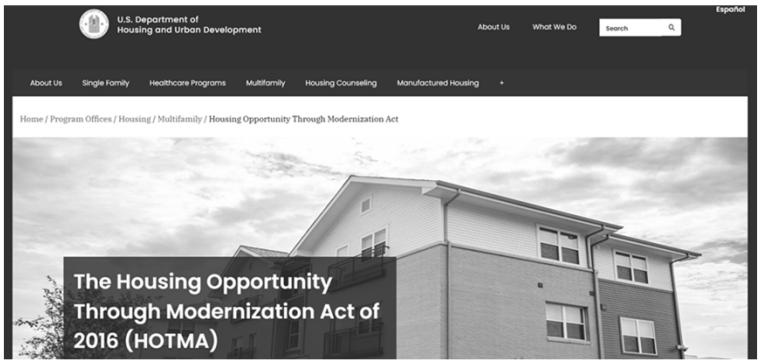
HOTMA Guidance

For published PIH/MFH housing notices, webinars and other Implementation assistance, refer to the HOTMA MFH Webpage



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HOTMA MFH Webpage

https://www.hud.gov/program_offices/housing/mfh/hotma

North Carolina Housing Finance Agency: Policy Update 5.0
Housing Opportunity Through Moderation Act (HOTMA)
Required for all certifications effective 7/1/2025 or later (effective date not signature date)

Income (inclusions, exclusions, calculations)
24 CFR § 5.609 (c)

- Inclusions: HOTMA removed the sources of income listed in 24 CFR § 5.609 (b) and instead replaced by an expanded and clarified list of income exclusions found in 24 CFR § 5.609 (c)
  - Note: See Student Financial Assistance Section
  - Student employment income: Earned income of dependent full-time students is excluded in excess of the amount of the deduction for a dependent
  - Adoption Assistance: Include Adoption Assistance up to an amount equal to the current Dependent Deduction
- Exclusions:
  - Non-monetary, in-kind donations, such as food, clothing, or toiletries, received from a food bank or similar organization
  - Lump-sum additions to net family assets, including but not limited to lottery and other contest winnings
  - Temporary, nonrecurring, or sporadic income
    - Income that will not be repeated in the coming year (12 months following) based on information provided by the family (example: Census takers)
    - Day laborers, independent contractors, and seasonal workers are NOT considered temporary, nonrecurring, or sporadic and <u>are all specifically included in family income</u>
  - Workman's Compensation 24 CFR § 5.609 (c)(5)
  - Earned income of children under the age of 18 years
- Verifications:
  - New Requirement (except HOME/NHTF): Only required to obtain a minimum of TWO consecutive paystubs, no matter how often individual is paid
    - HOME/NHTF requirement remains unchanged: two MONTHS worth of pay stubs
  - NCHFA will not accept annual income determined by another administrator, regardless if that verification meets all the HUD requirements

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Rental Housing Partners > Rental Owners & Managers > Policies, Resources & Forms > Ownership/Management

North Carolina Housing Finance Agency: Policy Update 5.0
Housing Opportunity Through Moderation Act (HOTMA)
Required for all certifications effective 7/1/2025 or later (effective date not signature date)

Assets (exclusions, verifications, calculations)
24 CFR § 5.659 (e)
Note: Annual Asset Self-Certification Threshold (2024 = $50,000. 2025 = $51,600. To be adjusted annually by HUD)

- Asset Exclusions 24 CFR § 5.609 (b)(3)
  - Necessary personal property
    - Items essential to the household for day-to-day employment, education, health & wellness
    - Examples: furniture, clothing, medical equipment, common electronics
  - Non-necessary personal property with a combined value less than annual asset self-certification threshold is excluded
    - Items not essential to the household for day-to-day employment, education, health & wellness
    - Examples: recreational vehicles, bank accounts, collectibles
  - Retirement plans recognized as such by the IRS (www.irs.gov)
    - Annuities, Stocks, Bonds, CDs, etc. that are part of a retirement account are also excluded
    - If receiving a distribution, the distribution is considered income
  - Federal & state tax refunds
    - If total net family assets exceed annual asset self-certification threshold the value of the tax returns must be verified
- Real Property in NC:
  - Land/building or structure/permanent fixture: Always counted as an asset 24 CFR § 5.100
  - A single/double wide home: if local office deems it personal property, it is not included as an asset and not listed on TIC
  - Real property where the household does not have the legal authority to sell is excluded
- Asset Verification:
  - Asset Self Certification:
    - HOME/NHTF must continue third party verification of ALL assets at move-in
    - When total household assets are below annual asset self-certification threshold, certify using the Asset Self Certification
    - When total household assets exceed annual asset self-certification threshold, all assets must be 3rd party verified
      - Unless tax return reduces household assets below the annual asset self-certification threshold
  - For ALL funding sources, the Asset Self Certification is permissible at annual recert

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Check often for updates as new guidance is issued!

North Carolina Housing Finance Agency: Policy Update 5.0
Housing Opportunity Through Moderation Act (HOTMA)
Required for all certifications effective 7/1/2025 or later (effective date not signature date)

  - Checking Accounts: 6-month average is no longer required. New requirement is the current balance, just as a savings account
  - Joint Assets: Total cash value of the asset is counted (no matter the % of ownership to the household member), unless the asset is otherwise excluded or unless the household can demonstrate the asset is inaccessible
- Asset Income:
  - Impute assets only when total assets exceed annual asset self-certification threshold
  - Impute ONLY those where asset income is not verifiable
    - Impute using current HUD passbook rate
    - Never impute ALL asset value (unless ALL do not have verifiable income)
    - Example of imputed assets: Land does not have a verifiable asset income because it does not produce income (land will always be imputed)
- Disposed of Assets: All disposed of assets need to be considered. Removed the $1,000 threshold.
- Actual income from assets is always counted, regardless if the asset itself is excluded (i.e. interest on a checking account)
- Note: Guidance, particularly related to assets, is constantly changing, more information on asset requirements to come in the future

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Rental Housing Partners > Rental Owners & Managers > Policies, Resources & Forms > Ownership/Management

North Carolina Housing Finance Agency: Policy Update 5.0
Housing Opportunity Through Moderation Act (HOTMA)
Required for all certifications effective 7/1/2025 or later (effective date not signature date)

Student Financial Assistance Pell Grant
24 CFR § 5.609(b)(9)
Applies to ALL households, not just those receiving Section 8 assistance

- All student financial assistance over covered cost of education is included in income, except HEA Title IV Assistance
  - Actual Covered Costs: Tuition, Fees, Books & Supplies, Room & Board
  - Example of HEA Title IV Assistance: Federal Pell Grants
  - Applies to both full-time and part-time students

Child Support
24 CFR § 5.609(a)(1)-(a)(2)

- Annual income includes "all amounts received", not the amount that a family may be legally entitled to receive but which they do not receive
  - If Child Support Enforcement is not involved and no CSE printout is available, NCHFA will allow the use of the Child Support Certification to be used as a self-affidavit
  - When calculating income: only the actual amount received is to be calculated

Foster Adult & Child
24 CFR § 5.609(b)(8)
To be considered a foster adult/child; that adult/child must be placed with the family by an authorized placement agency (e.g. public child welfare agency)

- ALL income received by fosters is excluded from income
- Any assets held by fosters must be excluded
- Fosters must not be included when determining household size for income limits
  - Are included when determining bedroom size

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Implement HOTMA Successfully by becoming familiar with the Federal and State Policy

North Carolina Housing Finance Agency: Policy Update 5.0
Housing Opportunity Through Moderation Act (HOTMA)
Required for all certifications effective 7/1/2025 or later (effective date not signature date)

Form Changes

- Asset Verification
- Child Support Certification
- Recertification Questionnaire
- Rental Application
- Student Financial Assistance Calculation Worksheet (New Form)
- Student Status – Assistance Verification (New Form)
- Tenant Income Certification (Required Form)
- Asset Self Certification (Required Form)

Additional Guidance

- Published PIH/MFH housing notices, webinars, and other implementation assistance
  - Refer to the HOTMA MFH Webpage https://www.hud.gov/program_offices/housing/mfh/hotma

NCHFA – Updated 12/1/2024

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www.ncha.com
Rental Housing Partners > Rental Owners & Managers > Policies, Resources & Forms > Ownership/Management

Natalie has disclosed that she has a checking account with a $500 cash balance and a 401k account with a cash value of $10,000. Her roommate America has disclosed she has a pay card with a cash balance of $500. What is the cash value of the household's assets?

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Income Exclusions *- Updated 1/31/2024*

All income is income unless specifically excluded.

https://www.govinfo.gov/content/pkg/FR-2024-01-31/pdf/2024-01873.pdf

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Gabe has employment income of $25,000 annually along with Lyft income of $5,000. His roommate, Angel, is currently out of work and receives $25,000 annual in Worker's Compensation. What is the Household annual income?

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Certification vs Verification

Certification: Completed by the applicant/resident
Verification: Completed by a third-party individual

Reminder:
- Completed in there entirety – no sections left incomplete
- Blank sections – acceptable to use a clarification for missing information
- Not permissible to correct forms – provide a new form to complete

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HOTMA Impacted Forms (cont.)

ASSET SELF-CERTIFICATION

ANNUAL ASSET THRESHOLD: _____

For households whose combined assets do not exceed the annual asset self-certification threshold. Complete only one form per household; include assets of all household members including children. Form cannot be used for HOME/NHTF at move-in.

Development Name: _____

Unit No: _____

ASSET VERIFICATION

The individual named below is an applicant/resident of a housing program that requires verification of assets. The information provided will remain confidential and used only to determine eligibility. Please complete and return promptly.

DATE: _____

COMPANY NAME: _____ DEVELOPMENT NAME: _____

EMAIL: _____ EMAIL: _____

PHONE: _____ FAX: _____ PHONE: _____ FAX: _____

RELEASE STATEMENT FOR APPLICANT/RESIDENT

PRINTED NAME: _____

SIGNATURE: _____

Other | Description: $

Important Note | if the above total value [A] is less than

TENANT INCOME CERTIFICATION

☐ Initial Certification ☐ Recertification ☐ Other*

Effective Date: _____
Initial LIHTC Qualification Date: _____
Move-in Date: _____

PART I. DEVELOPMENT DATA

Property Name: _____ County: _____ BIN #: _____

Address: _____ Unit Number: _____ #Bedrooms: _____

PART II. HOUSEHOLD COMPOSITION

HH Mbr #	Last Name	First Name & Middle Initial	Relationship to Head of Household	Date of Birth (MM/DD/YYYY)	F/T Student (circle one)	Last 4 Digits of Social Security No.
1					FT / PT / NAP	
2					FT / PT / NAP	
3					FT / PT / NAP	
4					FT / PT / NAP	
5					FT / PT / NAP	
6					FT / PT / NAP	
7					FT / PT / NAP	

PART III. GROSS ANNUAL INCOME (USE ANNUAL AMOUNTS)

HH Mbr#	(A) Employment	(B) Social Security/Pensions	(C) Public Assistance	(D) Other Income
TOTALS	$	$	$	$
			Total Income (E):	$

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Asset Self-Certification
- NCHFA Version is a required form
- Formerly known as the Under $5k/$50k Form
- Revised Version 12/2024

Asset Verification
- Revised Version 1/2024 – Best Practice Form
- Ensure versions - HOTMA changes

Tenant Income Certification (TIC)
- NCHFA Version is a required form
- Revised Version 2024

Additional Forms

EMPLOYMENT VERIFICATION

The individual named below is an applicant/resident of a housing program that requires verification of income. The information provided will remain confidential and used only to determine eligibility. Please complete and return promptly.

CLARIFICATION STATEMENT

To be completed anytime further information/clarification is needed. Form should be used to clarify missing information, not to correct information received.

Development Name: _____

Applicant/Resident: _____ Unit No: _____

PART 1 – SELECT ONE OPTION:

INCOME/ASSET CALCULATION WORKSHEET

Attach calculator tapes as needed.

Development Name: _____

Applicant/Resident Name: _____ Unit No: _____

Certification Type: ☐ Initial ☐ Recertification (Effective Date: _____)

INCOME:

SOURCE	GROSS AMOUNT	PAY FREQUENCY	ANNUAL AMOUNT	DESCRIPTION (i.e. company name, HH mbr name)
Wages/Salaries				
Social Security/SSI				

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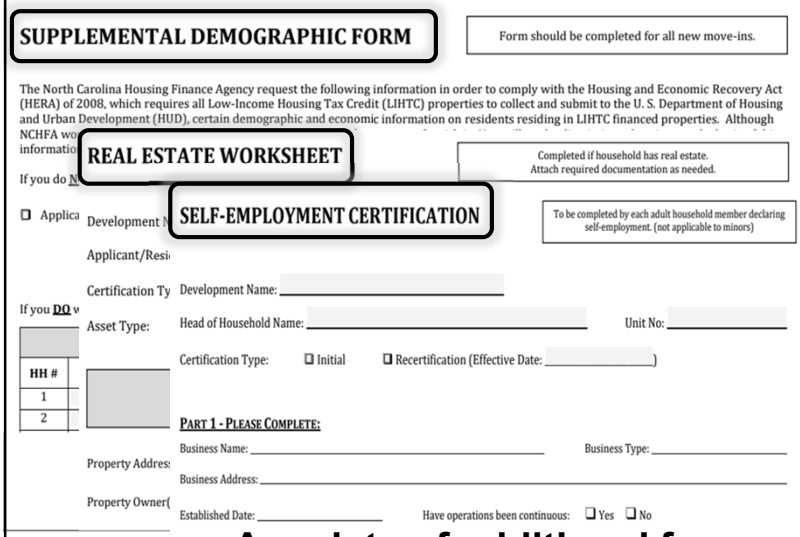
Employment Verification
- Paystubs – preferred method
- NCHFA Version is a required form if utilized
- All sections must be completed to be valid

Clarification Statement
- Best Practice Form
- Missing information v/s Correcting

Income/Asset Calculation Worksheet
- Best Practice Form/Tenant Software Provided
- Show your work-Findings cited if not uploaded

Additional Forms (cont.)


SUPPLEMENTAL DEMOGRAPHIC FORM

Form should be completed for all new move-ins.

The North Carolina Housing Finance Agency request the following information in order to comply with the Housing and Economic Recovery Act (HERA) of 2008, which requires all Low-Income Housing Tax Credit (LIHTC) properties to collect and submit to the U. S. Department of Housing and Urban Development (HUD), certain demographic and economic information on residents residing in LIHTC financed properties. Although

REAL ESTATE WORKSHEET

Completed if household has real estate. Attach required documentation as needed.

SELF-EMPLOYMENT CERTIFICATION

To be completed by each adult household member declaring self-employment. (not applicable to minors)

Development Name:

Head of Household Name: Unit No:

Certification Type: ☐ Initial ☐ Recertification (Effective Date:)

PART 1 - PLEASE COMPLETE:

Business Name: Business Type:

Business Address:

Established Date: Have operations been continuous: ☐ Yes ☐ No

Supplemental Demographic Form (HOME)

- Used at move-in for all household members
- Captures demographics needed to enter household members in RCRS at move-in
- Not the same as the Rural Development or HUD demographic data collection forms
- Failure to use will result in findings cited

Additional Resources, if applicable
Real Estate Worksheet
Self-Employment Certification

- Best Practice Forms
- Ensure required documentation is attached to be complete/valid

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A variety of additional forms can be located on our website!

www.nchfa.com

Rental Housing Partners > Rental Owners and Managers > Policies, Resources & Forms > Resident Files

Omar discloses on his move-in application that he has the following assets: A checking account that has a current balance of $500 that pays .25% annual interest, savings account that has a $10,000 current balance that pays .15% annual interest and $25,000 cash on hand.

What is the total cash value of all Omar's assets?

Can Omar complete a Asset Self-Certification or does management have to third party verify all of the assets?

What is the total income from assets that would be listed on the Tenant Income Certification?

WHAT I have LEARNED

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What does it look like?

PART IV. ASSETS						
PART IVA. INCOME FROM ASSETS - LESS THAN OR EQUAL TO IMPUTED INCOME LIMITATION						
Total net value from Non-necessary Personal Property (NNPP), Real Property, and Federal Tax Refunds/Credits has been verified as ***LESS*** than or ***EQUAL*** to the Imputed Income Limitation						
Enter Total of **ACTUAL INCOME** earned from all Assets from the Asset Self-Certification Form **(F)**						$
PART IVB. INCOME FROM ASSETS – GREATER THAN IMPUTED INCOME LIMITATION						
Total net value from Non-necessary Personal Property (NNPP) and Real Property has been verified as ***GREATER*** than the Imputed Income Limitation.						
HH Mbr#	(G) Type of Asset	(H) C/D	(I) NNPP / Real/ Tax Relief	(J) Cash Value of Asset	(K) A/I	(L) Annual Income from Asset
Enter Total Income from all Assets **(M)**						$

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Jeremy discloses on his recertification questionnaire that the following assets have been verified : Checking account with a cash value of $25,000 with .15% annual interest, a pay card with cash balance of $1,000, cash on hand amount of $1,000 and real estate cash value of $75,000.

What is the total cash value of assets?

Can the Asset Self- Certification be used?

What is the total income from assets?

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What does this look like?

PART IV. ASSETS						
PART IVA. INCOME FROM ASSETS - LESS THAN OR EQUAL TO IMPUTED INCOME LIMITATION						
Total net value from Non-necessary Personal Property (NNPP), Real Property, and Federal Tax Refunds/Credits has been verified as ***LESS*** than or ***EQUAL*** to the Imputed Income Limitation						
Enter Total of **ACTUAL INCOME** earned from all Assets from the Asset Self-Certification Form **(F)**						$
PART IVB. INCOME FROM ASSETS – GREATER THAN IMPUTED INCOME LIMITATION						
Total net value from Non-necessary Personal Property (NNPP) and Real Property has been verified as ***GREATER*** than the Imputed Income Limitation.						
HH Mbr#	(G) Type of Asset	(H) C/D	(I) NNPP / Real/ Tax Relief	(J) Cash Value of Asset	(K) A/I	(L) Annual Income from Asset
				Enter Total Income from all Assets **(M)**		$
PART V. TOTAL HOUSEHOLD INCOME						
Total Annual Household Income from All Sources [Add (E) + (F) ***OR*** (E) + (M)]						$

List all of the assets and related information

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HOTMA & Tax Refund

Household: Gracyn has cash on hand in the amount of $1,000, Daniella has a CashApp balance of $1,000 and Ana has a checking account with a cash value of $5,000 that pays .25% interest annually. Combined, the three received a state and federal tax return in the past 12-month in the amount $4,000.

What is the household combined total cash assets value?

What is the household combined income from assets?

How does the tax returns impact assets?

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Let's take a look

Self Asset-Certification

The $12.50 is entered on Line F of the TIC

NON-NECESSARY PERSONAL PROPERTY

Type of Asset	Cash Value*	Interest Rate (if applicable)	Annual Income
Non-necessary personal property (non-account assets such as RVs, ATVs, boats, antique cars, stamp collections, etc)			
Description:	$ N/A	N/A	$ N/A
Description:	$ N/A	N/A	$ N/A
Cash on hand	$ 1,000	N/A	N/A
Checking (current balance)	$ 5,000	.25%	$ 12.50
Savings (current balance)	$ N/A	N/A	$ N/A
Debit cards (not linked to an account that is listed above)	$ 1,000	N/A	N/A
Internet based assets (Cash App, Venmo, PayPal, ApplePay, etc.)	$ N/A	N/A	$ N/A
Other | Description:			

Type of Asset	Cash Value*	Interest Rate (if applicable)	Annual Income
Annuities (current balance)	$ N/A	N/A	$ N/A
Brokerage accounts current account balance (mutual funds, etc.)	$ N/A	N/A	$ N/A
Life Insurance (not term life)	$ N/A	N/A	$ N/A
Cryptocurrency (Bitcoin, etc.)	$ N/A	N/A	$ N/A
Stocks/Bonds (current balance)	$ N/A	N/A	$ N/A
CD/Money Market (current balance)	$ N/A	N/A	$ N/A
Trust accounts (current balance)	$ N/A	N/A	$ N/A
Lump sum amounts received not listed in above accounts (lottery/inheritance, etc)	$ N/A	N/A	$ N/A
Other | Description:	$ N/A	N/A	$ N/A
personal property:	$ 7,000	[B] Total Income:	$ 12.50

The tax return refund do not have to be verified, if less than the asset limitation threshold

Important Note: ... added into the Total Net Assets Section [F] below. However, total income ... total income [G] below.

	Cash Value		Income
N/A	$ N/A		$ N/A
N/A	$ NA		$ N/A
[C] Total real property value:	$ 0	[D] Total real prop income:	$ 0

TOTAL NET ASSETS AND INCOME

[E] Tax Refund. Have you received a tax return or refundable tax credit in the last 12 months? ☐ yes ☐ no → $ 4,000 ... subtract tax return/credit (if any) from total net assets. See formula for [F]

[F] Total Net Assets: (Total real property [C] + non-necessary personal property [A] (if [A] exceeds annual asset self-certification threshold) – [E] tax return/refundable credit) $ 3,000 [G] Total Asset Income: [B] + [D] $ 12.50

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- Enter the $7,000 total cash value of assets and $12.50 total annual income of $12.50
- Line E, enter the $4,000 tax return. Line F, adjusted total cash value of assets
- Line G, is not impacted by the tax refund (same as from Line B)

Household: Ian has a checking account with a cash value of $5,000 that pays no interest, Alex has cash on hand of $5,000 and real estate that has a cash value of $75,000 that have all been verified. In the past twelve-months, they have a combined federal and state tax return of $2,000 that has been verified with copies of their filed tax returns.

What is to the total household combined assets?

Can the Asset Self-Certification be used?

What is the total household income from assets?

How does the combined tax refund impact assets?

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Let's take a look

Tenant Income Certification

PART IV. ASSETS

PART IVA. INCOME FROM ASSETS - LESS THAN OR EQUAL TO IMPUTED INCOME LIMITATION

Total net value from Non-necessary Personal Property (NNPP), Real Property, and Federal Tax Refunds/Credits has been verified as ***LESS*** than or ***EQUAL*** to the Imputed Income Limitation

Enter Total of **ACTUAL INCOME** earned from all Assets from the Asset Self-Certification Form **(F)** $

PART IVB. INCOME FROM ASSETS – GREATER THAN IMPUTED INCOME LIMITATION

Total net value from Non-necessary Personal Property (NNPP) and Real Property has been verified as ***GREATER*** than the Imputed Income Limitation.

HH Mbr#	(G) Type of Asset	(H) C/D	(I) NNPP / Real/ Tax Relief	(J) Cash Value of Asset	(K) A/I	(L) Annual Income from Asset
1	Checking Account	C	NNPP	$5,000	A	$0
2	Cash on Hand	C	NNPP	$5,000	A	$0
2	Real Estate	C	Real	$75,000	I	$337.50
1/2	Tax Refund	C	Tax Relief	-$2,000	A	0
				Enter Total Income from all Assets **(M)**		$ 337.50

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List the combined tax return on the TIC under IVb
The filed tax refund(s) must be verified and attached

Darius has a checking account with a cash value of $25,000 with no interest income and CashApp with a balance of $27,000 and combined federal and state tax refund filed in the past twelve-months.

What is the total combined cash asset value?

Can the Self Asset-Verification be used?

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HOTMA & NCHFA Verification Hierarchy

Highest

- Upfront Income Verification (Paystubs, statements, ATM receipts – for debit/pay cards)
- ~~Enterprise Income Verification (EIV)~~
- ~~UIV using Non-EIV (Work Number or similar verification)~~

NCHFA Does Not Allow

Medium

- Written, third-party verification form (Employment, Asset Verification)

Medium – Second Choice

- Oral third-party verification (Clarification Statement or similar form)

Low

- Self-certification (not third-party verified) (Applicant/resident affidavit – document why)

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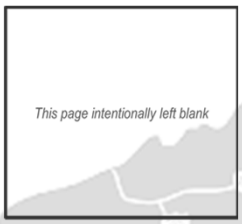
What makes a complete verification?



Statements, verifications (Social Security, etc.) should contain all the pages, with none missing

How long are verifications good for?

Verifications are valid for 120 days from the date of receipt by the owner

HUD Handbook, Change 4, 5-16 B

Not Valid for verification that require "the most recent" documents

i.e. pay check stubs, bank statements, etc.

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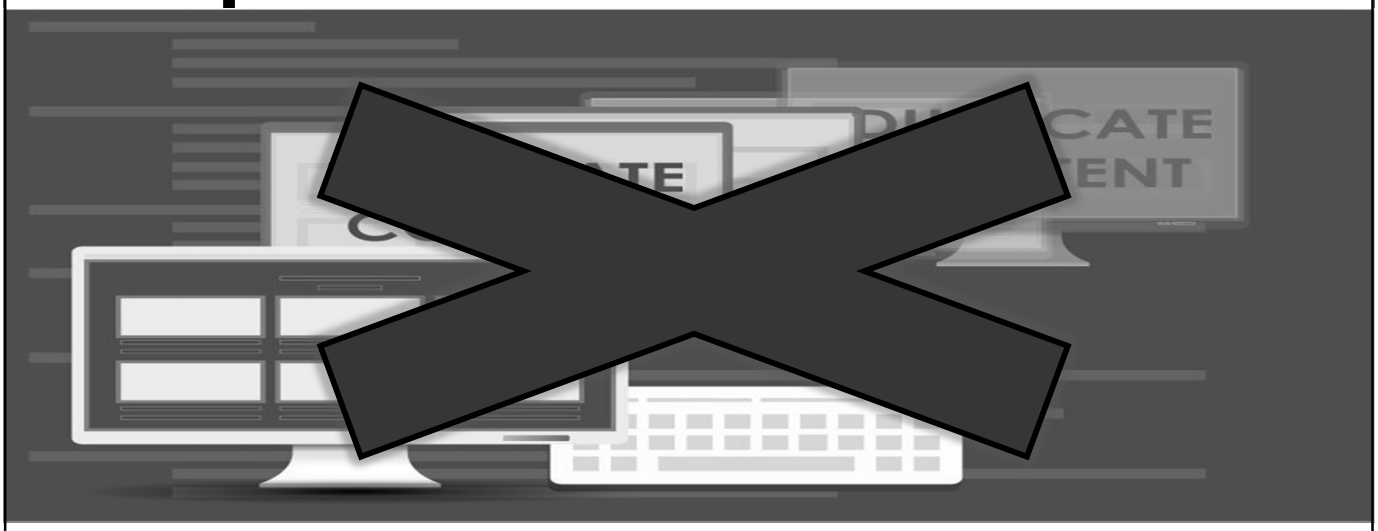
Duplicate Asset Verifications



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Self-Asset Certification & Third-party Verification

2025 HUD Inflation-Adjusted Values (Table 1): Effective January 1, 2025

Asset Self-Certification Threshold (Under $50k Form)
- (will require a form update)
- 2025 - $51,600 (2024 - $50,000)

Earned Income Exclusion for Deponent Adult Full-Time Students
- 2025 - $480 (Unchanged)

Adoption Assistance Exclusion
- 2025 - $480 (Unchanged)

NCHFA Policy
Effective 7/1/2025 when HOTMA is implemented

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https://www.huduser.gov/portal/datasets/inflationary-adjustments-notifications.html

Typical Income Calculations

Hourly Rate Calculation
- Hourly Rate X Hours Worked X Pay Frequency = Annual Income
- If EV list average areas, use the average hours for all households – **NCHFA Change**

Average Pay Stubs
- Total Pay Stubs / # of Pay Stubs X Pay Periods = Annual Income
- Minimum of two, most recent, consecutive paystubs required – **HOTMA Change**
- HOME and NHTF require two month source documentation – No Change
- 52 Pay Periods = Paid Weekly, 26 Pay Periods = Paid Bi-Weekly, 24 Pay Periods = Paid Twice a Month

Misc. Unearned Income
- Amount Received X Pay Frequency = Annual Income
- Social Security, SSI, Public Assistance (TANF), Child Support, Gift Income, etc.

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Typical Asset/Income Calculations

Checking, Savings & Money Market

- Current Balance X Interest Rate = Interest Income
- Checking – use current balance – **HOTMA Change**

Certificate of Deposit (CD)

- Current Balance – Penalty to Withdraw = Cash Value
- Cash Balance X Interest Rate = Asset Income

Stocks, Crypto-Currency: Bitcoin, Ether, Ripple, etc.

- Number of Shares X Stock Price – Cost of Turn Stocks in Cash = Cash Value
- Number of Shares X Dividend = Asset Income

Whole Life Insurance

- Cash Value = Surrender Value (Asset Value)
- Surrender Value X Interest = Interest Income (if applicable)

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What are Gig Income Platforms

upwork™ OnlyFans DOORDASH GRUBHUB lyft Uber Eats

And More!

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Income in a Gig Economy

Gig Economy

A segment of the service economy based on flexible, temporary or freelance jobs, often involving connecting clients and customer through a online platform.

- Companies like Uber, Lyft and Upwork
- Provides workers with the ability to work and earn money on their terms
- Ability to work multiple platforms
- Treated as Self- Employed/Contractors
- Due Diligence
- Verification/Income Calculation
  - Self-employment income process
  - Some platforms have reports and verification processes
  - May use screenshots if other sources of verification are not available (document)
  - Not included in Chapter 5,HUD Handbook, no formal guidance from HUD/IRS

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The Gif landscape is ever evolving with new opportunities, revised tax law, verification processes, etc.

Electronic/App Assets – Alternative Accounts Chime, Venmo, PayPal, Cash App, etc.

Verification Process:

- Current Balance is used (just like Savings and Checking Accounts)
- Some email the account holder a monthly statement
- ATM balance inquiry receipt – ensure the balance is shown and there is a date listed on the printout
- Online printout of statement (not transaction history) includes the date of the inquiry and the cash balance
- Print Screen from the app that shows the current available cash (use if no other sources available and document)
- In most cases there is no asset income

Note: if applicant/resident discloses this type of asset on the application/questionnaire and there is no cash being held (account has a zero balance), verification is required – Asset Self-Certification, third party verification, affidavit, etc.

These type of mobile payment apps are a good way to uncover income that has not been disclosed when viewing statements/transaction history

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venmo chime PayPal Pay Google wallet pay

MOVE IN AND LEASE PROCEDURES

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Leases for SHD Rental Properties

Owners may terminate tenancy or refuse to renew a lease only for:

- Serious or repeated violations of the terms and conditions of the lease;
- Violations of applicable federal, state or local law;
- Completion of the tenancy period for transitional housing; or,
- For other “good cause”.

ANY termination or refusal to renew a lease MUST be preceded by 30 days notice, which specifies the grounds for the action.

AANC

APARTMENT ASSOCIATION OF NORTH CAROLINA
RESIDENTIAL LEASE AGREEMENT

1. SUMMARY OF KEY TERMS OF THIS LEASE AGREEMENT ("Agreement"): The following information ("Paragraph 1" and subparts) is provided strictly for informational purposes and is intended to be construed contextually with the other terms and conditions of this Agreement.

1(A). PARTIES.

Name of LESSOR (Owner): Greenway Cove

Address of Lessor: 153 Crossing Way Suite 102
Boone, NC 28607

All sums paid to Lessor shall be made payable to (if different than Lessor):

Name(s) of LESSEE(S) - Full Legal Name(s):
1.
2.
3.
4.

Each Lessee shall be jointly and severally liable (each Less
for full compliance of all the terms and conditions contained in t

1(G). RENT.

BASE MONTHLY RENT: $
ADDITIONAL MONTHLY RENTS:
(If any, describe form and amount of rents below)
$
$
$
$

MONTHLY RENT SUBTOTAL: $
Monthly Discount? ☐ Yes ☐ No
If Yes, list discount per month: (-) $

TOTAL MONTHLY RENT: $
(Equal to Base Monthly Rent Plus Additional Monthly Rents Minus Discounts, if any).

PRORATED RENT FOR FIRST MONTH OF LEASE TERM: $
(Equal to Total Monthly Rent divided by total number of calendar days in first month of term multiplied by number of calendar days remaining in first month of term).

LAST
M: $

1 / 23

Move-in and Lease Procedures

- Lease agreement
  - Complies with NC real estate law
  - Agency does not approve
  - Talking points
- Lease terms
  - HOME – minimum 12 months
- Move-in inspection
  - Timeframe for submission
  - Signed & dated by resident
  - Work orders

- HOME lease addendum (Updated 12/2022)
  - Required for all new Move In's effective 6/1/19
- RCRS unit event entry
  - Within 30 days of move-in date
  - For new lease up – within 90 days
  - Include move-in documents
  - Update Vacancy & Referral (if applicable)
    - Vacancies
    - Application status

Applicable to Transitional and Permanent Housing

Effective 1/1/2022 – Update unit events required to be entered in RCRS confirming household composition and current rent and utilities being charged.

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HOME Lease Addendum

Prohibited lease provisions:

- Agreement to be sued
- Treatment of tenant's property
- Excusing owner from responsibility
- Waiver of legal notice
- Waiver of legal proceedings
- Waiver of jury trial
- Waiver of right to appeal court decision
- Tenant chargeable with costs of legal actions regardless of outcome

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

SHDP/HOME
HOME Lease addendum is required

SHDP/HUD811/HOME
NO HOME Lease addendum required due to HUD VAWA and lease requirements

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LEASE ADDENDUM: HOME

Developments with Agency HOME funding must complete addendum for all households at move-in.

Date: _____

Development Name: _____

Head of Household Name: _____ Unit No: _____

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.

E. **HOME Rent Restrictions.** If this unit is designated as a HOME unit, rents are subject to the rent restrictions of the HOME Program. Landlord may adjust the rents, in accordance with the HOME rent limits, with NCHFA approval. If the income of a household in a HOME-designated unit increases above the High HOME income limit, the rent for this household must be calculated at thirty percent (30%) of monthly adjusted income. As an alternative, the HOME designation can be switched to another HOME compliant unit, unless all units in the property are HOME-assisted units.

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HOME Funded Projects

Recertification Process:

- Conducted annually on the anniversary of the initial move-in/effective date
- Complete within 120 days prior to annual recertification effective date
- Follow same steps as initial occupancy
  - Application/Questionnaire
  - 3rd Party Verification of Assets & Income
  - Signed Tenant Income Certification
- SHD does not require interim recertifications

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Verifications: HOME – Student Rule

Full or part time students attending an institution of higher education are eligible as long as they meet the following exceptions:

1. Over the age of 23
2. Disabled Individual Receiving Assistance Prior to 11/30/2005
3. Veteran of the United States Military
4. Married
5. Parent with a Dependent Child
6. Independent and Individually eligible or has Parents who are income eligible
7. Dependent Living with a Parent

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If no rental assistance, student financial aid is excluded.

INCOME LIMITS

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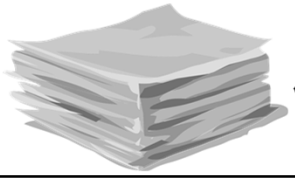
Income Limits Are Available in RCRS

- To make compliance easier, NCHFA publishes property-specific income limits in RCRS once they are released
- If you follow the income and rent limits in RCRS, the property will not have a compliance finding for using the incorrect income limits even if RCRS is wrong
- Please print the income and rent limits from RCRS and keep in your property file



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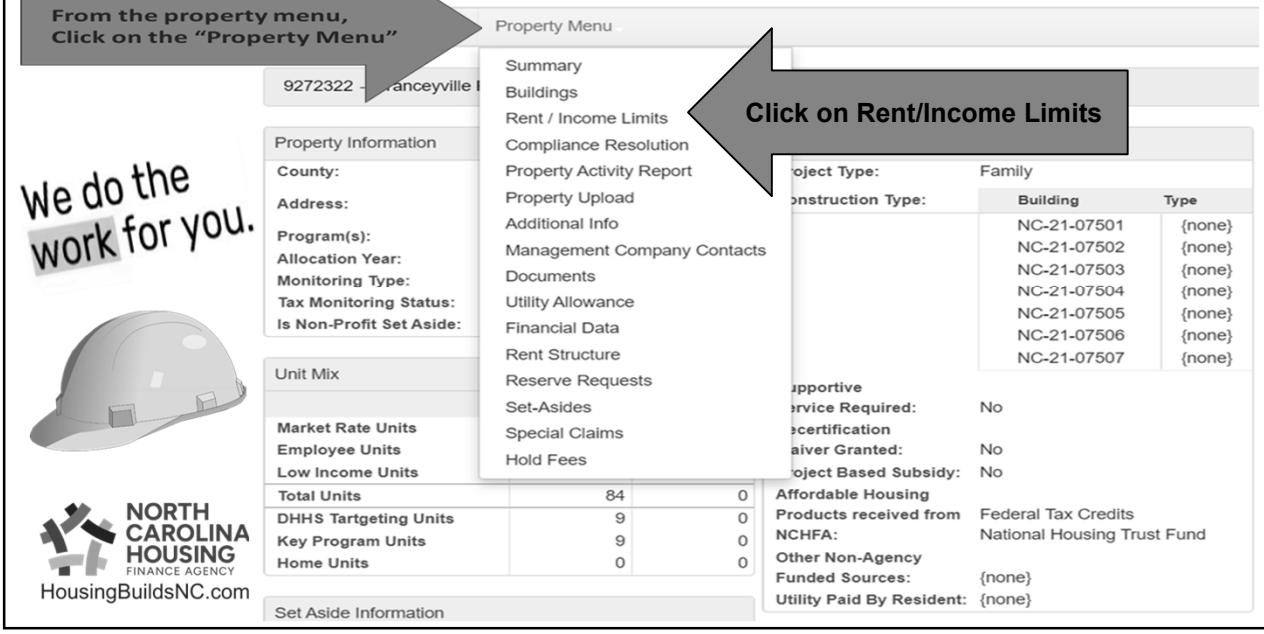
Locating Your Income Limits in RCRS

From the property menu,
Click on the "Property Menu"

Click on Rent/Income Limits



We do the work for you.

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Filter by Set-Aside

HTF Limits

Income

Percent Median	Median Income	One Person	Two Person	Three Person	Four Person	Five Person	Six Person	Seven Person	Eight Person
20	$122,300	$17,140	$19,580	$22,020	$24,460	$26,420	$28,380	$30,340	$32,300
30	$122,300	$25,710	$29,370	$33,030	$36,690	$39,630	$42,570	$45,510	$48,450
35	$122,300	$29,995	$34,265	$38,535	$42,805	$46,235	$49,665	$53,095	$56,525
40	$122,300	$34,280	$39,160	$44,040	$48,920	$52,840	$56,760	$60,680	$64,600
45	$122,300	$38,565	$44,055	$49,545	$55,035	$59,445	$63,855	$68,265	$72,675
50	$122,300	$42,850	$48,950	$55,050	$61,150	$66,050	$70,950	$75,850	$80,750
60	$122,300	$51,420	$58,740	$66,060	$73,380	$79,260	$85,140	$91,020	$96,900
70	$122,300	$59,990	$68,530	$77,070	$85,610	$92,470	$99,330	$106,190	$113,050
80	$122,300	$68,560	$78,320	$88,080	$97,840	$105,680	$113,520	$121,360	$129,200

Rent

Percent Median	Median Income	1/BR	2/BR
20	$122,300	$459	$550
30	$122,300	$688	$825
35	$122,300	$803	$963
40	$122,300	$918	$1,101
45	$122,300	$1,032	$1,238
50	$122,300	$1,147	$1,376
60	$122,300	$1,377	$1,651
70	$122,300	$1,606	$1,926
80	$122,300	$1,836	$2,202

The Income and Rent Limits will automatically default to the must current limits. You can select previous years also

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RCRS

RENT, FEES AND UTILITY ALLOWANCES

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Rent Requirements – Housing Trust Fund

Rent is defined as a periodic charge for the right to occupy or use someone else's property

Rent

Percent Median	Median Income	1/BR	2/BR	3/BR
35	$79,000	$519	$623	$720
50	$79,000	$741	$890	$1,028
60	$79,000	$890	$1,068	$1,234

- The term "gross rent" includes the cost of any utilities paid by the resident
- For Housing Trust Funded projects, gross rent does not include rental assistance payments made on behalf of the tenant under the Section 8 program or similar programs
- Rent limits are determined by unit bedroom size
- Calculations based on the income limits
  - Assuming 1.5 person per bedroom

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Rent Reminder

Filter by Set-Aside

HTF Limits

Income

Percent Median	Median Income	One Person	Two Person	Three Person	Four Person	Five Person	Six Person	Seven Person	Eight Person
50	$122,300	$42,850	$48,950	$55,050	$61,150	$66,050	$70,950	$75,850	$80,750

Rent

Percent Median	Median Income	1/BR
50	$122,300	$1,147

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Rents charged cannot exceed the NCHFA approved amounts (if required) even if the rental amount charged complies with the rent limit

HTF Rent Limits

To determine if rent is below the maximum HTF rent limit, include these sources

Resident Paid Rent

Resident Paid Utilities

Mandatory Fees

EQUALS

Gross Rent

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Gross rent must be equal to or lesser than applicable HTF rent limit

HOME Rent Limits

To determine if rent is below the maximum HOME rent limit, include all sources

Resident Paid Rent

Rental Assistance

Resident Paid Utilities

Mandatory Fees

EQUALS

Gross Rent

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Gross rent must be equal to or lesser than applicable Low or High HOME rent limit

HOME Rent Limits: Gross Rent Calculation

Rental Lease Agreement

Contract Rent	$700
Resident's Portion of Rent	$250
PHA Rental Assistance	$450

1 Bedroom Utility Allowance $75

1 Bedroom Rent Limit $700

Does this rent comply with the rent limit?

$250 + $450 + $75 =

$775

NO

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What is the gross rent?

- 2 Bedroom Apartment
- 30% Set-a-Side
- 5 Member Household
- $780 Tenant Rent
- $75 Utility Allowance

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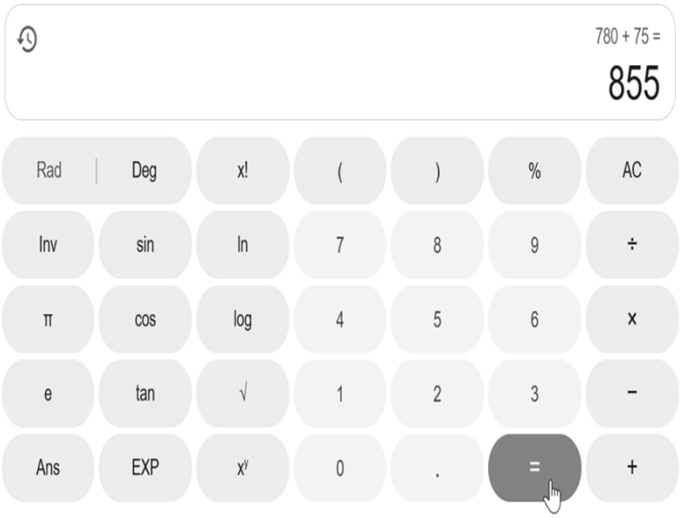
What is the gross rent?

- 2 Bedroom Apartment
- 30% Set-a-Side
- 5 Member Household
- $780 Tenant Rent
- $75 Utility Allowance



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What is the gross rent?

- 2 Bedroom Apartment
- 30% Set-a-Side
- 5 Member Household
- $780 Tenant Rent
- $45 Monthly Renters Insurance
- $75 Utility Allowance

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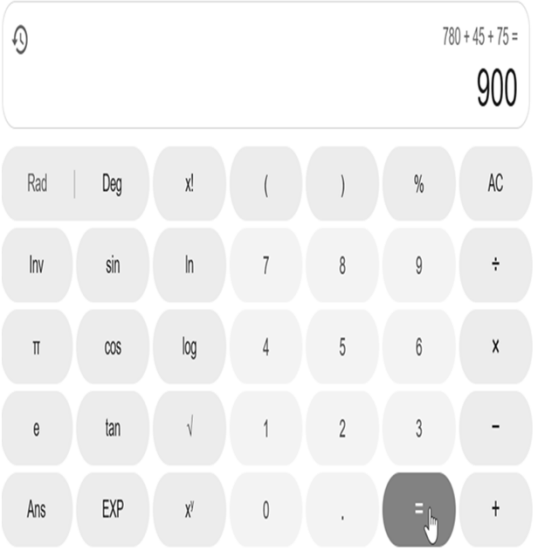
What is the gross rent?

- 2 Bedroom Apartment
- 30% Set-a-Side
- 5 Member Household
- $780 Tenant Rent
- $45 Monthly Renters Insurance
- $75 Utility Allowance



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Is the rent limit being met with the added fee?

- 2 Bedroom Apartment
- 30% Set-a-Side
- 5 Member Household
- $780 Tenant Rent
- $45 Monthly Renters Insurance
- $75 Utility Allowance
- $900 Gross Rent

HTF Limits

Income

Percent Median	Median Income	One Person	Two Person	Three Person	Four Person	Five Person	Six Person	Seven Person	Eight Person
30	$94,100	$19,770	$22,590	$25,410	$28,230	$30,510	$32,760	$35,010	$37,290
60	$94,100	$39,540	$45,180	$50,820	$56,460	$61,020	$65,520	$70,020	$74,580

Rent

Percent Median	Median Income	1/BR	2/BR	3/BR
30	$94,100	$529	$635	$734
60	$94,100	$1,059	$1,270	$1,468

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Is the rent limit being met with the added fee?

- 2 Bedroom Apartment
- 30% Set-a-Side
- 5 Member Household
- $780 Tenant Rent
- $45 Monthly Renters Insurance
- $75 Utility Allowance
- $900 Gross Rent

HTF Limits

Income

Percent Median	Median Income	One Person	Two Person	Three Person	Four Person	Five Person	Six Person	Seven Person	Eight Person
30	$94,100	$19,770	$22,590	$25,410	$28,230	$30,510	$32,760	$35,010	$37,290
60	$94,100	$39,540	$45,180	$50,820	$56,460	$61,020	$65,520	$70,020	$74,580

Rent

Percent Median	Median Income	1/BR	2/BR	3/BR
30	$94,100	$529	$635	$734
60	$94,100	$1,059	$1,270	$1,468

NO!

$900 GR is greater than $635 Rent Limit

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Utility Allowances (UA) Requirements

- All projects that participate in Agency-administered rental programs must update their utility allowance at least once annually through RCRS
- Implementation can only occur after the Agency's review and approval
- With each request, all utility allowance types must be uploaded into RCRS with a cover letter indicating the utility type and effective date
- Costs are incurred solely by the owner
- The Utility Allowances includes all utilities paid directly by the resident

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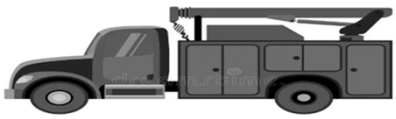

An Affordable Housing Owner's Guide to Utility Allowances

Utility Allowance Reminders

- If there is project-based rental assistance, use the utility allowance approved by the assistance provider
- The preferred utility allowance for all other SHD properties is the PHA utility allowance

PHA Utility Allowance:

Obtained from the local Housing Authority

Calculate the applicable utility allowance by adding the utility type (gas, electric, water, etc.) for each bedroom size

Must use for any unit occupied by a section 8 voucher holder

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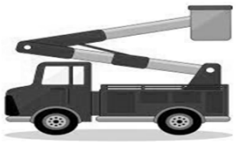

Need Utility Allowance Assistance?

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HousingBuildsNC.com

Funding Types Requiring Rent Increase Approval

SHP Loans (HOME, HTF, NHTF)

NOTE

Always refer to property specific loan documents if clarification is needed

PRIOR APPROVAL REQUIRED

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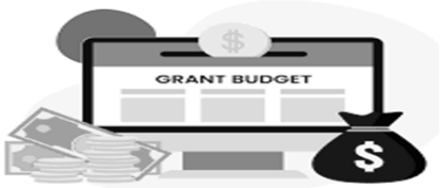
Rent Increase Policy Reminder

- Rent increase of $25 or less: no additional justification needed regardless of Debt Coverage Ratio/cash
- Rent increase of more than $25 AND the property exceeds a DCR of 1.15 (or cash flow of $500/unit) with the proposed budget, additional justification needed
- If the proposed budget is significantly different than previous years audited financials, justification will needed
- Increase of more than $50 is approved, no more than $50 can be passed along to in place unassisted tenants per year (with or without justification)



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Rent Increase Policy Updated 10/5/2022

Failure to get required approval…

Implementing rent increases without Agency approval will result in management/ownership not in good standing with the Agency and noncompliance for the project

It's just not worth it!

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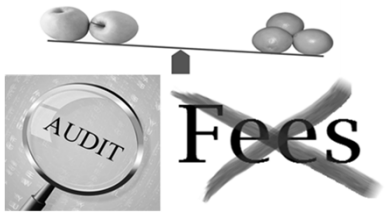
Rent Increase Reminders

- Proposed budget is compared to the actual expenses
- Documented in the most recent audited financial
- Fees being paid to the investor not allowed(i.e. asset management fees, syndicator service fee, etc.) even though this is a cost of doing business
- If line items are significantly different in proposed budget versus actual, we may ask for further justification
- Standard vacancy rate of 7% regardless of actual vacancy rate

Cashflow Requirements:

- After adjustments are made, 1.15 debt coverage ratio
- If the debt coverage ratio is more than 1.15, then look at projected cash flow
  - ✓When cash flow is less than $500 per unit per year (PUPY), we may approve the increase
  - ✓When cash flow is more than $500 PUPY, we will either decrease or deny the increase



Debt Service Coverage Ratio

$$\text{Debt Service Coverage Ratio} = \frac{\text{Operating Income}}{\text{Total Debt Service Costs}}$$

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TOP FIVE ISSUES WITH RENT INCREASES SURVEY SAYS…

1. **Utility Allowance (UA) not been updated (already expired or will be more than 9 months by the effective date of the rent increase**
2. **Utility Allowance used in rent increase is not the most recently approved Utility Allowance**
3. **Effective date not a minimum of 30 days from the submission (or re-submission) date**
4. **Asking for a large increase - not justified by the budget and/or audited financials**
5. **Asking for more than one increase in a 12 month period**

Visit our YouTube Channel for Rent Increase step by step instructions

https://youtu.be/Um_f80NmTII?si=8WjXoDT2R7XoZGrJ

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Need Additional Help With Rent Increases? Have Questions?

Contact Randa McCauley
rjmccauley@nchfa.com
(919) 981-2691

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Affirmative Marketing

<u>Properties financed by NCHFA are prohibited from:</u>

- Denying occupancy to a household because the household participates in the Section 8 program
- Requiring a minimum income that would effectively prevent a voucher holder from qualifying for housing

AFHMP Compliance will be reviewed during the Review process. Compliance Monitors will confirm AFHMP approval in RCRS and compare approved plan and what is posted the office

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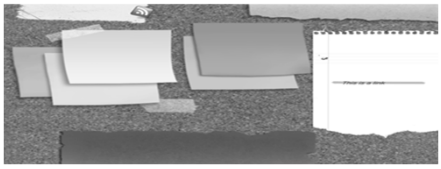
Effective January 1, 2022

Failure to have an approved plan in RCRS or posted in the Office will result in project noncompliance

Affirmative Marketing (cont.)

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
- Apply 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.
- To obtain Agency approval, upload in RCRS



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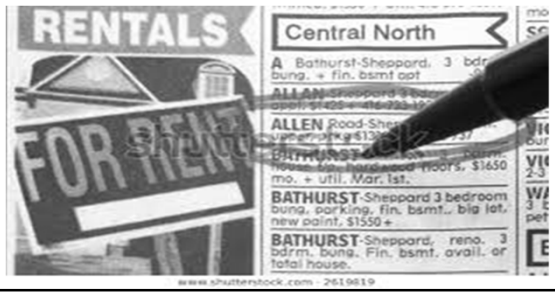
How to complete & implement the AFHMP

- Identify populations least likely to apply
- Ensure population is actually represented in the surrounding community
- Implement marketing efforts to attract target populations
- Efforts should be made to publicize through the type of media customarily used by the target applicant

Maintain documentation evidencing outreach

- Flyers
- Mailings
- Advertising
- Community Contact Letters



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Affirmative Fair Housing Marketing Plan

5 page form (pages 1-5) +
3 pages of Instructions (pages 6-8) +
4 worksheets =
12 pages total

Plans that have been approved by another regulatory agency (HUD, RD, etc.) may be submitted. Must upload the complete approved AFHMP including worksheets & supporting documents

Supporting documentation
(census info, advertising, site signage, etc.) and the
Agency AFHMP Checklist *must be submitted for approval. If not included, the AFHMP will be returned*

The Checklist is available on the Agency website!

Affirmative Fair Housing Marketing Plan Checklist

Property Management Company: **Property Name:**

APN#: **Date Reviewed:**

***AFHMP must be completed in it's entirety but NCHFA only notes the components below**

Required Content	Affirmative Fair Housing Marketing Plan Requirement	Completed by Owner/Agent: Where is this in the AFHMP? Page#, Section#, Section Title		Completed by NCHFA: is it OK? Yes, No, NA, or NI	Comment/Corrective Action Needed
1a	Is the Property Name, address, & county where located identified?				
1c	Does number of units match number of units noted in RCRS?				
1d	Verify Census Tract is correct - http://factfinder2.census.gov/main.html				
1f	Does Management Agent match information in RCRS?				
1g	Does Owner match information in RCRS?				
1i	To whom should questions regarding AFHMP be addressed?				

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Affirmative Housing Marketing Plan

Note to all applicants/respondents: This form was developed with Nuance, the official HUD software for the creation of HUD forms. HUD has made available instructions for downloading a free installation of a Nuance reader that allows the user to fill-in and save this form in Nuance. Please see http://portal.hud.gov/hudportal/documents/huddoc?id=nuancereaderinstall.pdf for the instructions. Using Nuance software is the only means of completing this form.

Affirmative Fair Housing Marketing Plan (AFHMP) - Multifamily Housing

U.S. Department of Hou
and Urban Developme
Office of Fair Housing a

OMB Approval No. 2529-0013
(exp.1/31/2021)

1a. Project Name & Address (including City, County, State & Zip Code)

1b. Project Contract Number **1c. No. of Units**

1d. Census Tract

1e. Housing/Expanded Housing Market Area
Housing Market Area:
Expanded Housing Market Area:

1f. Managing Agent Name, Address (including City, County, State & Zip Code), Telephone Number & Email Address

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The form is available on the HUD website
https://www.hud.gov/sites/documents/935-2A.PDF

Updating, Changes and Renewing The Affirmative Fair Housing Marketing Plan

The AFHMP is valid for five years (from the signature date of the management agent), when it expires, you have 2 options:

- Create a new AFHMP and submit for approval through RCRS or
- If no changes, submit an updated plan and
  - Date and sign the AFHMP listing “no changes or updates” or
  - Include a cover letter that states “no changes or updates”

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Note:
Changes in Ownership or Management Agent require a new plan to be submitted and approved at the time of the change

Common Issues with AFHMPs

- Incomplete information
  - All pages and worksheets completed, nothing left blank
- Required documentation missing
  - Advertising, census information, community contact letters, site sign picture
- Expired plans
  - Five years after signature date
- Outdated plans
  - Ownership/Management changes
- Failure to sign/date the plan
- Incorrect/outdated form for new plans
- Failure to upload in RCRS and post at the property

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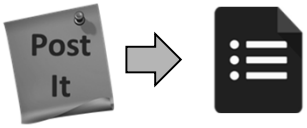
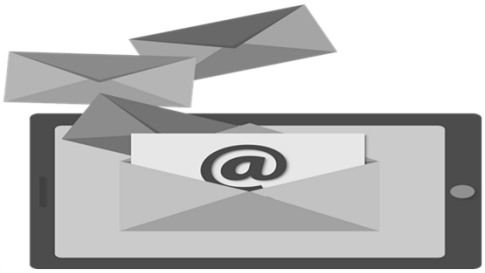


For AFHMP Questions or Assistance Contact

Dorian Minters
dlminters@nchfa.com
919-981-4470



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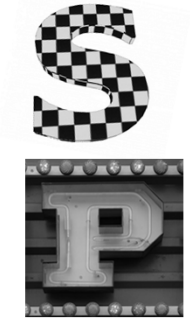
Tenant Selection Plans (TSP)



Effective 1/1/2023

Tenant Selection Plan Policy
K-S-S Professional Management & Consulting

Selective Apartments
123 On Your Way Home Blvd., Bat Cave NC 28710
Henderson County

Income Restrictions
Maximum
This property consists of 50 units of which:
- 40 must be rented to households at 60% of median income or below
- 10 must be rented to households at 50% of median income or below

The income limits are posted in the on-site office and are attached.

Minimum
The applicant must have monthly income that is 2.5 times the tenant paid portion of rent plus utility allowance.

Housing Vouchers
State or federal housing vouchers are accepted provided the voucher plus the tenant-paid portion of rent meets the current rent charged for the unit.

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NCHFA TSP Policy

- The Agency requires landlords who participate in Agency-administered rental programs to have a written property specific Tenant Selection Plan
- The criteria contained in a TSP must not be so restrictive that it creates a disparate impact on groups protected by the Federal Fair Housing Act
- The criteria must align with HUD's requirement for housing entities to affirmatively further fair housing and conform to any applicable HUD guidance published on the subject

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Do you know what your plan includes?

NCHFA TSP Requirements

For all Agency-monitored properties, regardless of HUD/RD participation, a property's TSP must:

- Specify how applicants are selected for tenancy
- All criteria used in the decision-making process must be included
- Must have enough specificity that the applicant can read it and reasonably determine their likelihood of acceptance
- Contain screening criteria that is no more restrictive than described in the policy
- Be clearly posted in the property rental office as well as anywhere else applications are distributed, including websites
- Copies must be available to applicants upon request

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GRAB YOUR COPY NOW!

NCHFA's Responsibility

The Agency has a responsibility to affirmatively further fair housing within our 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

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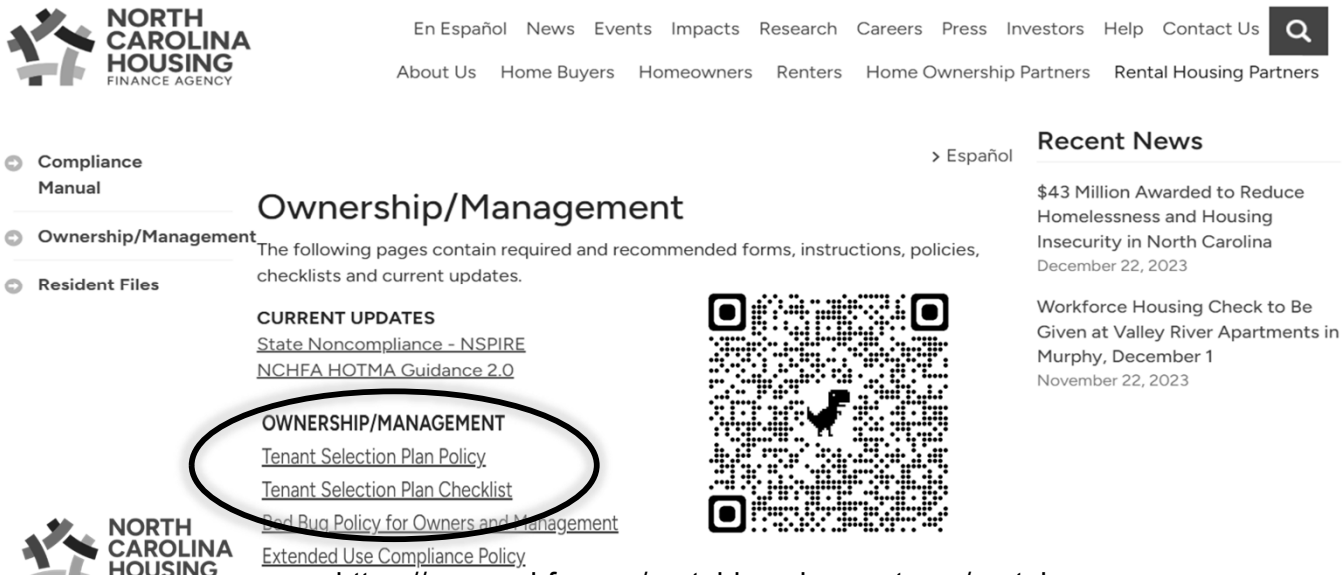
What is your role in affirmatively furthering fair housing

NCHFA TSP Policy & Checklist
Can Be Found On The Agency Website



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https://www.nchfa.com/rental-housing-partners/rental-owners-managers/policies-resources-forms/ownershipmanagement

NCHFA TSP
Compliance Requirement

Failure to comply with either of these requirements, or failure to satisfactorily address concerns or deficiencies identified by the Agency, may result in the property owner and/or agent being considered not in good standing and result in a suspension from doing future business with the Agency until the issue is corrected

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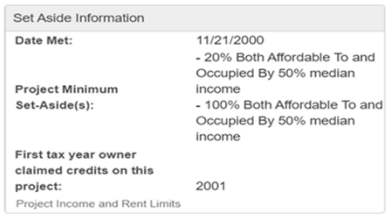
Common TSP Issues
Resulting in Unapproved Plans

- Not meeting the criminal criteria
- Not submitting the checklist when submitting a Model TSP
- Not including the correct set-asides and number of units for each set-aside available
- Not including all applicable student rules (TC, HOME, HUD, RD)
- Not including the DHHS Targeting Program verbiage (# of units available, waived app fee, waived landlord credit for monies owed)



Set Aside Information	
Date Met:	11/21/2000
Project Minimum Set-Aside(s):	- 20% Both Affordable To and Occupied By 50% median income - 100% Both Affordable To and Occupied By 50% median income
First tax year owner claimed credits on this project:	2001
Project Income and Rent Limits	

NCDHHS

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Are Future Updates to the TSP Expected?

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-2000

ASSISTANT SECRETARY FOR
FAIR HOUSING AND EQUAL OPPORTUNITY

June 10, 2022

MEMORANDUM FOR: Office of Fair Housing & Equal Opportunity
Fair Housing Assistance Program Agencies
Fair Housing Initiatives Program Grantees

FROM: Demetria L. McCain, Principal Deputy Assistant Secretary for Fair Housing and Equal Opportunity

SUBJECT: Implementation of the Office of General Counsel's Guidance on Application of Fair Housing Act Standards to the Use of Criminal Records by Providers of Housing and Real Estate-Related Transactions

Decent, stable, and affordable housing is a critical prerequisite to health, safety, education, jobs, and the economy.[1] Unfortunately, individuals with a criminal history consistently face daunting barriers to obtaining and maintaining housing.

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yes

TSP Questions or Need Assistance?

NEED HELP?

Contact Heidi Holt
htholt@nchfa.com
919-480-2877

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NCHFA
Public Training

Reminders

- Registration for classes closes the second Thursdays before the week of training
  - Example: 10/23/2024 Supportive Housing Monitoring Training closes 10/9/2024, 12am

Training Registration for all public training offered by NCHFA is available on our website https://www.nchfa.com/events?field_event_type_tid=144

Refund, Cancelation, Transfer, Substitution Policy:

- Refunds for cancelations or transfers will be allowed if made before the deadline date.
- If the cancelation/transfer request is made after the registration deadline, there will be a $20 charge subtracted from the refund or additional charge to transfer.
- Substitutions will be granted up to 2 days prior to date of the class.
- There will be no late registration or substitutions accepted after the registration deadline.
- If the transfer is from a virtual training to an in-person training, or vice versa, the request must be made prior to the registration deadline for the training that will be attended.

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2025
Supportive Housing Development Training

Supportive Housing training is for emergency and temporary housing providers such as shelters, group homes, hospice care centers, transitional housing, etc.

Training Dates/Format/Location

- March 12, 2025 In-person – New Hanover County Cooperative Extension Agency, Wilmington
- May 21, 2025 In-person and Virtual – NCSU McKimmon Center, Raleigh
- July 17, 2025 In-person – Iredell County Cooperative Extension Agency, Statesville
- October 8, 2025 In-person – Caldwell County Board of Election, Lenoir

Supportive Housing Development

Please don't opt of emails from CVENT, you won't get your survey/ certificate!

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2025 DHHS & NCHFA Targeting/Key Training

Training Dates/Format/Location

- March 25, 2025 In-person and Virtual
  NCSU McKimmon Center, Raleigh
- May 6, 2025 In-person
  Statesville Convention Center, Statesville
- July 22, 2025 In-person
  Wilkes County Cooperative Extension Agency, Wilkesboro
- September 16, 2025 In-person
  River Front Convention Center, New Bern
- October 14, 2025 In-person and Virtual
  NCSU McKimmon Center, Raleigh

NORTH CAROLINA HOUSING FINANCE AGENCY

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES

NORTH CAROLINA HOUSING FINANCE AGENCY
HousingBuildsNC.com

Please don't opt of emails from CVENT, you won't get your survey/ certificate!

Fair Housing Webinars
& Reasonable Accommodations for Housing Providers

Fair Housing Project
A Project of Legal Aid of North Carolina

FREE

Register at our training tab on the Agency website!
https://www.nchfa.com/events?field_event_type_tid=144

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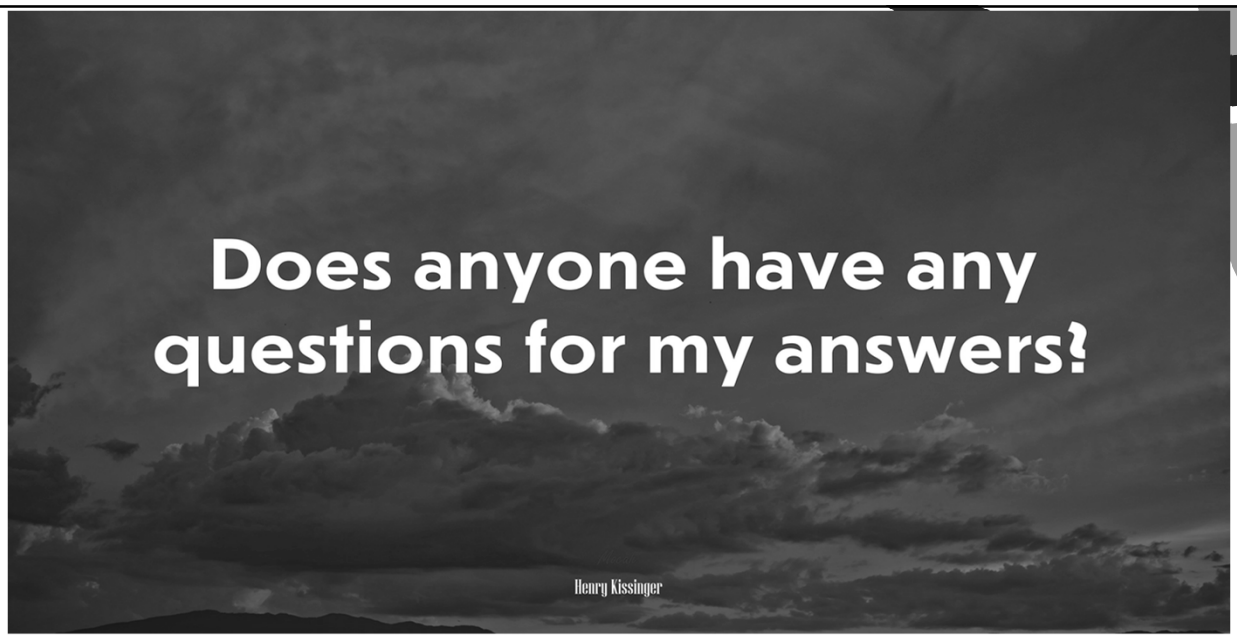
Available to Everyone!



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Questions or Comments?

rentaltrainings@nchfa.com

Training Resources

HUD Website Links

HOME Laws and Regulations Website
https://www.hudexchange.info/programs/home/home-laws-and-regulations/

HUD 4350.3: Chapter 5, Exhibit 5-1, 5-2, Appendix 3 Link
https://www.hud.gov/program_offices/administration/hudclips/handbooks/hsgh/4350.3

HUD NSPIRE Website
https://www.hud.gov/program_offices/public_indian_housing/reac/nspire

HUD HOTMA Resources Website
https://www.hud.gov/program_offices/public_indian_housing/hotmaresources

North Carolina Housing Finance Agency: Policy Update 3.0
Physical Inspection Noncompliance Items

Effective January 1, 2024

SHD **Noncompliance – not included in NSPIRE**

- Egress (sleeping rooms):
  - At least 2 points of egress must be unblocked (bedroom entry door AND a window)
    - Window: the full window must be open. Nothing above the window sill or blocking ANY part of the glassed opening
    - Door: must open to 90 degrees minimum and latch
- Egress (living space & bathroom):
  - Only needs 1 point of egress (only the door counts as egress)
    - Door must open to 90 degrees minimum and latch
- Vacant Unit: must be rent ready within 30 days (no outstanding repairs or maintenance issues)
- Dryer Vents: bird cage type covers observed on outside dryer vents (building code violation)
- Accessibility: All amenities, common areas, and accessible units must be in compliance

State Noncompliance – not included in NSPIRE

- Market Appeal:
  - Indoor furniture observed outdoors (common areas and tenant patios)
  - Excessive trash/litter/tires/furniture observed throughout property
  - Cable/Telephone boxes: covers missing/exposed wires
  - Graffiti: More than 1 sq. ft & permanent OR Vulgar/gang related/threatening in ANY size
  - Non-working abandoned cars (wrecked, flat tires, safety concerns, used for storage)
  - Discarded smoking material in the mulch beds (potential fire hazard)
  - Vegetation:
    - Vegetation in unintended areas: nothing can touch roof/siding/mechanical equipment or other unintended surfaces.
    - Overgrown/excessive on fencing to where it affects curb appeal
    - Overgrown/excessive vegetation that blocks site exterior pole lighting
- Fencing:
  - playground fencing must work as intended
  - decorative/dumpster enclosures no more than 20% damage (of total fence coverage)
  - If sharp edges are observed, that will be noted as a health & safety violation
- Wasps nests in common areas or areas that are subject to regular human contact or passage
- Grease discarded on building components or in the landscape bedding around the building
- Parking Lot:
  - Pooling of oil observed
  - Damages that result in cracks/gap/spalling at parking lots/driveways/roads that are under the supervision of management can be considered trip hazard, as these areas can be used by pedestrians
- All exterior electrical boxes/panels must be zip tied
- Retaining Walls: any size wall showing any sign of rot/deterioration/missing wall components (not landscape borders less than 1ft)
- Erosion/Ponding:
  - Large areas where soil has been displaced due to storm water
  - Ponding where water is within 25 ft of building and no rain within 48 hours
  - Any exposed footings on walkways and/or buildings (NSPIRE only cites when the rebar is exposed)
- Roof: observed 2 or more missing shingles in a single area of a roof
- Flammable Material: no gas/lighter fluid/self-starter charcoal can be in an enclosed space that is in or attached to a living space (NSPIRE only counts if within 3 ft of heat source)
- Tires and/or car parts observed in the unit and/or storage
- Broken water heater pan or plug missing
- Trip hazard: including non-temporary cable/power cords, torn/lifted carpet, damaged thresholds
- Unintended Drop-Offs: any sudden drop off a walkway greater than ¾”
- Range:
  - Appliance control display settings are faded/illegible
  - Only oven safe items can be stored inside oven
  - Silicone/foil/disposable liners under burners or oven elements are not acceptable
- Kitchen Cabinetry: more then 20% of cabinetry is damaged (NSPIRE allows for 50%)
- Kitchen Ventilation: self-circulating and vented range hoods will be treated as equal (NSPIRE does not inspect self-circulating)
- Any unit or room that is locked and not inspectable – regardless of the reason
- Evidence of feces or urine in unit or indoor common areas (pet or human)
- Tub: faucet or spout pulled away from wall (allows for water penetration)

- Drug Paraphernalia of any kind observed
- Open flames left unattended (Such as candles) and/or incense being burned in/on anything other than an incense burner (example: in light switches, walls, slats of doors, laying on counter tops)
- Repairs must be made with like material and in a professional manner (in all inspectable areas)
- Tenant-provided fire extinguishers must remain charged and in operable condition
- Vacant Units: Utilities are not turned on during the inspection
- Vacant Units: units vacant over 6 months (rent ready or not) with no move-in scheduled
- Walls: Peeling/missing paint (regardless of year built) larger than 1 sq ft in a single room
- Electrical Panel: No items can be covering/blocking
- Sprinkler System: Any foreign object observed on the sprinkler head (NSPIRE allows for 75% coverage)
- Doors:
    - Interior Doors: any hole larger than 2" (golf ball size)
    - Storm Doors: inspectable and must function as intended (if screen included, will inspect like a window screen per NSPIRE)
- QAP Requirements (not all inclusive, only listing most common findings)
    - Smoking: All properties awarded credits 2015 or later, smoking is not allowed within 25 ft of building
        - Any time oxygen is available for use – smoking is prohibited (regardless of PIS date)
    - Roll in showers: All properties awarded credits 2006 or later, management is required to furnish a weighted shower curtain
    - Fire Protection: All properties awarded credits 2007 or later, management is required to furnish fire stops OR fire extinguishers in each unit
    - Amenities: Any amenity listed in the TC application that is offline, Unfurnished or not used for designated purposes
- Required Management Documents:
    - Tenant Selection Plan (bulletin board & RCRS)
    - Affirmative Fair Housing Marketing Plan (bulletin board & RCRS)
    - VAWA Emergency Transfer Plan (bulletin board only)
    - Blank Lease (RCRS for RPP properties)
    - Management Plan (approved in RCRS only for RPP)
    - 8609s with Part II completed and signed by the owner (uploaded into RCRS only)
    - Tenant Grievance Procedures (bulletin board & RCRS- CHDO properties)

NSPIRE Items – Grace Period until October 1, 2025

- GFCI: Required in all "wet" locations (interior and exterior) within 6 feet of a water source. If a major appliance outlet in "wet" area, the outlet must be GFCI protected or a single use outlet
- Guardrails: Required for elevated heights of 30 inches or more
- **NEW** Fire Labeled Doors (all defects)

NSPIRE Items – No longer considered Grace Period and now considered NONCOMPLIANCE as of 1/1/2025

- Bathroom Ventilation: All bathrooms must have a means of ventilation (Either mechanical or a window)
- Smoke Detectors: All smoke detectors must be hard wired OR have a 10-year tamper proof battery
- Water Heaters: new requirement is for TPR piping to be between 2" and 6" from the floor/pan and be made of "approved" material

***HUD NSPIRE Resources:** https://www.hud.gov/program_offices/public_indian_housing/reac/nspire

North Carolina Housing Finance Agency: Policy Update 5.0
Housing Opportunity Through Moderation Act (HOTMA)

Required for all certifications effective 7/1/2025 or later (effective date not signature date)

Income (inclusions, exclusions, calculations)

24 CFR § 5.609 (c)

- Inclusions: HOTMA removed the sources of income listed in 24 CFR § 5.609 (b) and instead replaced by an expanded and clarified list of income exclusions found in 24 CFR § 5.609 (c)
  - Note: See Student Financial Assistance Section
  - Student employment income: Earned income of dependent full-time students is excluded in excess of the amount of the deduction for a dependent
  - Adoption Assistance: Include Adoption Assistance up to an amount equal to the current Dependent Deduction
- Exclusions:
  - Non-monetary, in-kind donations, such as food, clothing, or toiletries, received from a food bank or similar organization
  - Lump-sum additions to net family assets, including but not limited to lottery and other contest winnings
  - Temporary, nonrecurring, or sporadic income
    - Income that will not be repeated in the coming year (12 months following) based on information provided by the family (example: Census takers)
    - Day laborers, independent contractors, and seasonal workers are NOT considered temporary, nonrecurring, or sporadic and <u>are all specifically included in family income</u>
  - Workman's Compensation 24 CFR § 5.609 (c)(5)
  - Earned income of children under the age of 18 years
- Verifications:
  - New Requirement (except HOME/NHTF): Only required to obtain a minimum of TWO consecutive paystubs, no matter how often individual is paid
    - HOME/NHTF requirement remains unchanged: two MONTHS worth of pay stubs
  - NCHFA will not accept annual income determined by another administrator, regardless if that verification meets all the HUD requirements

Assets (exclusions, verifications, calculations)

24 CFR § 5.659 (e)

Note: Annual Asset Self-Certification Threshold (2024 = $50,000. 2025 = $51,600. To be adjusted annually by HUD)

- Asset Exclusions 24 CFR § 5.609 (b)(3)
  - Necessary personal property
    - Items essential to the household for day-to-day employment, education, health & wellness
    - Examples: furniture, clothing, medical equipment, common electronics
  - Non-necessary personal property with a combined value less than annual asset self-certification threshold is excluded
    - Items not essential to the household for day-to-day employment, education, health & wellness
    - Examples: recreational vehicles, bank accounts, collectibles
  - Retirement plans recognized as such by the IRS (www.irs.gov)
    - Annuities, Stocks, Bonds, CDs, etc. that are part of a retirement account are also excluded
    - If receiving a distribution, the distribution is considered income
  - Federal & state tax refunds
    - If total net family assets exceed annual asset self-certification threshold the value of the tax returns must be verified
- Real Property in NC:
  - Land/building or structure/permanent fixture: Always counted as an asset 24 CFR § 5.100
  - A single/double wide home: if local office deems it personal property, it is not included as an asset and not listed on TIC
  - Real property where the household does not have the legal authority to sell is excluded
- Asset Verification:
  - Asset Self Certification:
    - HOME/NHTF must continue third party verification of ALL assets at move-in
    - When total household assets are below annual asset self-certification threshold, certify using the Asset Self Certification
    - When total household assets exceed annual asset self-certification threshold, <u>all</u> assets must be 3rd party verified
      - Unless tax return reduces household assets below the annual asset self-certification threshold
  - For ALL funding sources, the Asset Self Certification is permissible at annual recert

    - Checking Accounts: 6-month average is no longer required. New requirement is the current balance, just as a savings account
    - Joint Assets: Total cash value of the asset is counted (no matter the % of ownership to the household member), unless the asset is otherwise excluded or unless the household can demonstrate the asset is inaccessible
- Asset Income:
    - Impute assets only when total assets exceed annual asset self-certification threshold
    - Impute ONLY those where asset income is not verifiable
        - Impute using current HUD passbook rate
        - Never impute ALL asset value (unless ALL do not have verifiable income)
        - Example of imputed assets: Land does not have a verifiable asset income because it does not produce income (land will always be imputed)
- Disposed of Assets: All disposed of assets need to be considered. Removed the $1,000 threshold.
- Actual income from assets is always counted, regardless if the asset itself is excluded (i.e. interest on a checking account)
- Note: Guidance, particularly related to assets, is constantly changing, more information on asset requirements to come in the future

Student Financial Assistance

24 CFR § 5.609(b)(9)

Applies to ALL households, not just those receiving Section 8 assistance

- All student financial assistance over covered cost of education is included in income, except HEA Title IV Assistance
    - Actual Covered Costs: Tuition, Fees, Books & Supplies, Room & Board
    - Example of HEA Title IV Assistance: Federal Pell Grants
    - Applies to both full-time and part-time students

Child Support

24 CFR § 5.609(a)(1)-(a)(2)

- Annual income includes "all amounts received", not the amount that a family may be legally entitled to receive but which they do not receive
    - If Child Support Enforcement is not involved and no CSE printout is available, NCHFA will allow the use of the Child Support Certification to be used as a self-affidavit
    - When calculating income: only the actual amount received is to be calculated

Foster Adult & Child

24 CFR § 5.609(b)(8)

To be considered a foster adult/child; that adult/child must be placed with the family by an authorized placement agency (e.g. public child welfare agency)

- ALL income received by fosters is excluded from income
- Any assets held by fosters must be excluded
- Fosters must not be included when determining household size for income limits
    - Are included when determining bedroom size

Form Changes

- Asset Verification
- Child Support Certification
- Recertification Questionnaire
- Rental Application
- Student Financial Assistance Calculation Worksheet (New Form)
- Student Status – Assistance Verification (New Form)
- Tenant Income Certification (Required Form)
- Asset Self Certification (Required Form)

Additional Guidance

- Published PIH/MFH housing notices, webinars, and other implementation assistance
    - Refer to the HOTMA MFH Webpage https://www.hud.gov/program_offices/housing/mfh/hotma

SHD PARTICIPANT CERTIFICATION

Completed by each household indicating the special needs population met per Regulatory Agreements/Documents

Development Name: _____

Head of Household Name or ID: _____ Unit No/Bed No/ID No: _____

This is to certify that the above named individual or household meets the Special Needs occupancy requirement specified in the Declaration of Deed Restrictions. Please select which option best describes your current situation:

☐ **CATEGORY 1 - LITERALLY HOMELESS**

Individual or family who lacks, regular and adequate nighttime residence, meaning:

- Primary nighttime residence is public or private and not meant for human habitation;
- Living in a public or privately-operated shelter (congregate shelters, transitional housing and hotels and motels are paid for by charitable organizations or federal, state and local government)
- Exiting an institution where I have resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution

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☐ **CATEGORY 2 - IMMINENT RISK OF HOMELESSNESS**

Individual or family who will imminently lose their primary nighttime residence provided that:

- Residence will be lost within 14 days of the date of application for homeless assistance; and
- No subsequent residence has been identified; and
- The individual or family lacks the resources or support networks needed to obtain other permanent housing

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☐ **CATEGORY 3 - HOMELESS UNDER OTHER FEDERAL STATUTES**

Unaccompanied youth under 25 years of age, or families with children and youth, who do not otherwise qualify as homeless under this definition, but who:

- Are defined homeless under another federal statute:
- Have no lease, ownership interest, or occupancy agreement in permanent housing for 60 days prior to the homeless assistance application;
- Have experienced persistent instability as measured by two (2) moves or more during the preceding 60 days; and can be expected to continue such status for an extended period, due to special needs and barriers

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☐ **CATEGORY 4 FLEEING/ATTEMPTING TO FLEE DV**

Any individual or family who:

- Is fleeing, or is attempting to flee domestic violence; sexual assault, stalking or human trafficking
- Has no other residence; and
- Lacks the resources or support networks to obtain other permanent housing

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☐ **AT RISK OF HOMELESSNESS**

Individual or family with annual income below 30% AMI; and lacks the resources or support networks needed to obtain other permanent housing; and meets **one** of the following:

- Has moved because of economic reasons 2 or more times during the past 60 days
- Is living in the home of another because of economic hardship
- Has been notified in writing that their right to occupy their current housing or living situation will be terminated within 21 days after date of
- application for assistance
- Lives in a hotel or motel, cost NOT paid for by charity or other assistance
- Lives in a single-room occupancy or efficiency apartment unit in which there reside more than two persons or lives in a larger housing unit in which there reside more than 1.5 persons reside per room
- Is exiting a publicly funded institution or system of care;
- Otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness

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☐ **OTHER**

Person with one of the following special needs:

- Disabilities which are expected to be permanent; In substance use treatment; In hospice care; Children in foster care or other licensed facilities; Young adults aging out of foster care or other licensed facilities

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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.

_____ _____ _____

Printed Name Signature Date

RENTAL APPLICATION

Office Use Only:
Date Rec'd: _____ Time: _____ am/pm
By (initials): _____

Development Name: _____ Email: _____

Phone Number: _____ Address: _____

# of Bedrooms Desired: ☐ Eff ☐ 1 Br ☐ 2 Br ☐ 3 Br ☐ 4 Br ☐ 5 Br

The following is to be completed in its entirety by household members ages 18 and older.
Please answer ALL questions. Do not leave any blank spaces. Write NONE or N/A where appropriate. Please print.

PART 1 – HEAD OF HOUSEHOLD DATA:

Head of Household Name:	Phone #:
Mailing Address:	
City/State/Zip:	Email:
Current Marital Status: ☐ Single ☐ Married ☐ Divorced ☐ Separated ☐ Widowed	
Have you ever used another name? ☐ Yes ☐ No If yes, please indicate name:	

☐ Spouse ☐ Co-Head ☐ Other Adult	
Name:	Phone #:
Mailing Address:	
City/State/Zip:	Email:
Current Marital Status: ☐ Single ☐ Married ☐ Divorced ☐ Separated ☐ Widowed	
Have you ever used another name? ☐ Yes ☐ No If yes, please indicate name:	

Directions to Member: Please complete the table below listing each member of the household, whether or not those members are related. Include all members who you anticipate will live with you at least 50% or more of the time during the next 12 months. (A full-time student is anyone who is enrolled for at least five calendar months for the number of hours or courses which are considered full-time attendance by that institution. The five months need not be consecutive).

PART 2 – HOUSEHOLD COMPOSITION:

	HOUSEHOLD MEMBER NAME(S)	RELATIONSHIP TO HEAD	DATE OF BIRTH	FULL TIME STUDENT (Y/N)	INCOME (Y/N)	SSN NUMBER
1.		Head				
2.						
3.						
4.						
5.						
6.						
7.						

Anticipated changes in household size within the next 12 months? ☐ Yes ☐ No If Yes, explain: _____

Are there any absent household members who normally reside in the household? ☐ Yes ☐ No If Yes, explain: _____

Anticipated change in number of students within the next 12 months? ☐ Yes ☐ No If Yes, explain: _____

PART 3 – HOUSEHOLD INFORMATION:

RENTAL HISTORY (must show most recent 2-year rental history)			
Household Member Name:			
	Current Residence	**Previous Residence**	**Previous Residence**
Street Address:			
City, State, Zip:			
Select One:	☐ Rent ☐ Own ☐ Other	☐ Rent ☐ Own ☐ Other	☐ Rent ☐ Own ☐ Other
If other, explain:			
Owner/Landlord Name:			
Owner/Landlord #			
Reason for Leaving			
Dates of Residency mm/yy	From: _____ To:_____	From: _____ To:_____	From: _____ To:_____

RENTAL HISTORY (must show most recent 2-year rental history)			
Household Member Name:			
	Current Residence	**Previous Residence**	**Previous Residence**
Street Address:			
City, State, Zip:			
Select One:	☐ Rent ☐ Own ☐ Other	☐ Rent ☐ Own ☐ Other	☐ Rent ☐ Own ☐ Other
If other, explain:			
Owner/Landlord Name:			
Owner/Landlord #			
Reason for Leaving			
Dates of Residency mm/yy	From: _____ To:_____	From: _____ To:_____	From: _____ To:_____

Have you or any member(s) of the household ever had your lease terminated or been evicted? ☐ Yes ☐ No

Are you or any member(s) of your household receiving rental assistance (voucher, public housing, etc.) ☐ Yes ☐ No

Are you or any member(s) of your household currently fleeing from an abusive situation? ☐ Yes ☐ No

Are there any animals in the household? ☐ Yes ☐ No

Would you or any member(s) of the household benefit from the features of an accessible unit? ☐ Yes ☐ No

Do you or any member(s) of the household require any accommodations and/or modifications to the unit for any disability? ☐ Yes ☐ No

If yes to any question(s) above, please explain: _____

EMERGENCY CONTACT INFORMATION		
Name:		
Relationship:	Phone #:	Email:

PART 4 – HOUSEHOLD ASSETS:

Have you disposed of any assets for less than Fair Market Value within the last two years? ☐ Yes ☐ No

Do you or anyone in the household have any of the following assets? Please mark "yes" or "No" for each source of income.

	HEAD OF HOUSEHOLD		CO-HEAD		ADDITIONAL HOUSEHOLD MEMBERS	
Type of Asset	**Check One**	**Cash Value**	**Check One**	**Cash Value**	**Check One**	**Cash Value**
Cash on Hand	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Depository Debit Cards	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Checking Accounts	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Savings/Money Market Accounts	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Certificates of Deposits	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Stocks/Bonds	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Trust Funds (excluding irrevocable)	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Real Estate/Land	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Mortgage or Deed of Trust	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Cryptocurrency (Bitcoin, etc.)	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Life Insurance (excluding Term)	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
GoFundMe/Crowdsourcing	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Mobile Payment Services (Venmo, CashApp, etc.)	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Personal Property (Held as an investment)	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Other Investments	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Have you received any lump sum payments such as the following:						
Inheritances	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Lottery or other Winnings	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Insurance Settlements	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Workers' Compensation Settlements	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Social Security Disability Settlements	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Unemployment Compensation Settlements	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
VA Disability Settlements	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Severance Pay	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Capital Gains	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Other	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$

ASSET DETAILS (detail ALL assets for ALL household members marked yes above)

HOUSEHOLD MEMBER NAME	TYPE OF ASSET	BANK/FINANCIAL INSTITUTION NAME	# OF ACCOUNTS

PART 5 – SOURCES OF INCOME:

Is income received from any of the following sources? Please mark "yes" or "No" for each source of income.

	HEAD OF HOUSEHOLD		CO-HEAD		ADDITIONAL HOUSEHOLD MEMBERS	
Type of Income	**Check One**	**Monthly $**	**Check One**	**Monthly $**	**Check One**	**Monthly $**
Employment	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Self-Employment	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Gig Income (Ride Share, Food Delivery, etc.)	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Regularly Recurring gifts	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Social Security	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
SSI (Supplemental Security Income)	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Retirement Income	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Pensions	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Disability or Death Benefits (not SSI)	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
TANF or other Public Assistance	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Alimony	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Child Support	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Unemployment Compensation	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Workers' Compensation	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Income from Rental Property	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Military Pay, including all allowances	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Severance Pay	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Annuities Income	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Insurance Policies Income	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Scholarships/Grants/Work Study	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Long Term Care Payments	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Income from Training Programs	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
List Other Income:	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$

INCOME DETAILS (detail ALL income for ALL household members marked yes above)

HOUSEHOLD MEMBER NAME	TYPE OF INCOME	COMPANY/PROVIDER NAME	CONTACT INFO

PART 6– SIGNATURES:

Must be signed and dated by all members of the household age 18 & older:

I/we understand that the above information is being collected to determine eligibility for residence.

I/we certify that all assets currently held or previously disposed of and all income sources have been listed on this application. I/we further certify that the statements made in this application are true and complete to the best of my/our knowledge and belief and are aware that false statements are punishable under Federal law.

I/we authorize the owner/manager to verify information provided on this application and the signature(s) below are the consent to obtain such verification.

Printed Name	Signature	Date
Printed Name	Signature	Date
Printed Name	Signature	Date
Printed Name	Signature	Date

RECERTIFICATION QUESTIONNAIRE

Development Name: _____ Email: _____

Phone Number: _____ Address: _____

The following is to be completed in its entirety by household members ages 18 and older.
Please answer ALL questions. Do not leave any blank spaces. Write NONE or N/A where appropriate. Please print.

PART 1 – HEAD OF HOUSEHOLD DATA:

Head of Household Name:	Phone #:
Mailing Address:	
City/State/Zip:	Email:
Current Marital Status: ☐ Single ☐ Married ☐ Divorced ☐ Separated ☐ Widowed	
Have you ever used another name? ☐ Yes ☐ No If yes, please indicate name:	

☐ Spouse ☐ Co-Head ☐ Other Adult	
Name:	Phone #:
Mailing Address:	
City/State/Zip:	Email:
Current Marital Status: ☐ Single ☐ Married ☐ Divorced ☐ Separated ☐ Widowed	
Have you ever used another name? ☐ Yes ☐ No If yes, please indicate name:	

Directions to Member: Please complete the table below listing each member of the household, whether or not those members are related. Include all members who you anticipate will live with you at least 50% or more of the time during the next 12 months. (A full-time student is anyone who is enrolled for at least five calendar months for the number of hours or courses which are considered full-time attendance by that institution. The five months need not be consecutive).

PART 2 – HOUSEHOLD COMPOSITION:

	HOUSEHOLD MEMBER NAME(S)	RELATIONSHIP TO HEAD	DATE OF BIRTH	FULL TIME STUDENT (Y/N)	INCOME (Y/N)	SSN NUMBER
1.		Head				
2.						
3.						
4.						
5.						
6.						
7.						

Anticipated changes in household size within the next 12 months? ☐ Yes ☐ No If Yes, explain: _____

Are there any absent household members who normally reside in the household? ☐ Yes ☐ No If Yes, explain: _____

Anticipated change in number of students within the next 12 months? ☐ Yes ☐ No If Yes, explain: _____

PART 3 – HOUSEHOLD ASSETS:

Have you disposed of any assets for less than Fair Market Value within the last two years? ☐ Yes ☐ No

Do you or anyone in the household have any of the following assets? Please mark "yes" or "No" for each source of income.

	HEAD OF HOUSEHOLD		CO-HEAD		ADDITIONAL HOUSEHOLD MEMBERS	
Type of Asset	**Check One**	**Cash Value**	**Check One**	**Cash Value**	**Check One**	**Cash Value**
Cash on Hand	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Depository Debit Cards	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Checking Accounts	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Savings/Money Market Accounts	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Certificates of Deposits	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Stocks/Bonds	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Trust Funds (excluding irrevocable)	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Real Estate/Land	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Mortgage or Deed of Trust	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Cryptocurrency (Bitcoin, etc.)	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Life Insurance (excluding Term)	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
GoFundMe/Crowdsourcing	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Mobile Payment Services (Venmo, CashApp, etc.)	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Personal Property (Held as an investment)	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Other Investments	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Have you received any lump sum payments such as the following:						
Inheritances	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Lottery or other Winnings	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Insurance Settlements	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Workers' Compensation Settlements	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Social Security Disability Settlements	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Unemployment Compensation Settlements	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
VA Disability Settlements	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Severance Pay	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Capital Gains	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Other	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$

ASSET DETAILS (detail ALL assets for ALL household members marked yes above)

HOUSEHOLD MEMBER NAME	TYPE OF ASSET	BANK/FINANCIAL INSTITUTION NAME	# OF ACCOUNTS

PART 4 – SOURCES OF INCOME:

Is income received from any of the following sources? Please mark "yes" or "No" for each source of income.

	HEAD OF HOUSEHOLD		CO-HEAD		ADDITIONAL HOUSEHOLD MEMBERS	
Type of Income	**Check One**	**Monthly $**	**Check One**	**Monthly $**	**Check One**	**Monthly $**
Employment	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Self-Employment	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Gig Income (Ride Share, Food Delivery, etc.)	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Regularly Recurring gifts	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Social Security	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
SSI (Supplemental Security Income)	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Retirement Income	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Pensions	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Disability or Death Benefits (not SSI)	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
TANF or other Public Assistance	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Alimony	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Child Support	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Unemployment Compensation	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Workers' Compensation	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Income from Rental Property	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Military Pay, including all allowances	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Severance Pay	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Annuities Income	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Insurance Policies Income	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Scholarships/Grants/Work Study	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Long Term Care Payments	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
Income from Training Programs	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
List Other Income:	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$
	☐ Yes ☐ No	$	☐ Yes ☐ No	$	☐ Yes ☐ No	$

INCOME DETAILS (detail ALL income for ALL household members marked yes above)

HOUSEHOLD MEMBER NAME	TYPE OF INCOME	COMPANY/PROVIDER NAME	CONTACT INFO

PART 5– SIGNATURES:

Must be signed and dated by all members of the household age 18 & older:

I/we understand that the above information is being collected to determine eligibility for residence.

I/we certify that all assets currently held or previously disposed of and all income sources have been listed on this application. I/we further certify that the statements made in this application are true and complete to the best of my/our knowledge and belief and are aware that false statements are punishable under Federal law.

I/we authorize the owner/manager to verify information provided on this application and the signature(s) below are the consent to obtain such verification.

Printed Name	Signature	Date
Printed Name	Signature	Date
Printed Name	Signature	Date
Printed Name	Signature	Date

Tenant Income Certification

(MM/DD/YYYY)
Effective Date:
Move-in Date:

☐ Initial Certification ☐ Recertification ☐ Other: _____

Part I - Development Data

Property Name: _____ County: _____ Agency ID# _____ ID# _____

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)	Last 4 digits of SS#	Race	Ethnicity	Disabled
1				HEAD					
2									
3									
4									
5									
6									
7									

Part III - Gross Annual Income (Use Annual Amounts)

HH Mbr #	(A) Employment or Wages	(B) Soc. Security/Pensions	(C) Public Assistance	(D) Other Income
Totals				

Add totals from (A) through (D), above TOTAL INCOME (E):

Part IV - Income From Assets

HH Mbr #	(F) Type of Asset	(G) C/I	(H) Cash Value of Asset	(I) Annual Income from Asset
		Totals:		

Enter Column (H) Total If Over $5,000 _____ X Passbook Rate .06% = Imputed Income (J)

Enter the greater of the total of column (I), or (J) Imputed Income **Total Income from Assets (K)** -

(L) Total Annual Household Income from all Sources [Add (E) + (K)]

Maximum Income Limit For Unit _____

Household Meets Income Restriction at: ☐ 60% ☐ 50% ☐ 40% ☐ 30% ☐ %

PART V - RENT

Tenant Paid Rent: _____ Utility Allowance _____ Gross Rent For Unit:

Rent Assistance _____ Other Non Optional Charges _____ **Maximum Rent Limit For This Unit** _____

Household Certification & Signatures

The information on this form will be used to determine Maximum income eligibility. I/we have provided for each person(s) set forth in Part II acceptable verification of current anticipated annual income. I/we agree to notify the landlord immediately upon any member of the household moving out of the unit or any new member moving in. I/we agree to notify the landlord immediately upon any member becoming a full time student.

Under penalties of perjury, I/we certify that the information presented in this certification is true and accurate to the best of my/our knowledge and belief. The undersigned further understands that providing false representations herein constitutes an act of fraud. False, misleading or incomplete information may result in the termination of the lease agreement.

Signature _____ Date _____

Signature _____ Date _____

Managers Signature _____ Date _____

TENANT INCOME CERTIFICATION

☐ Initial Certification ☐ Recertification ☐ Other* _____

Effective Date: _____
Initial LIHTC Qualification Date: _____
Move-in Date: _____

PART I. DEVELOPMENT DATA

Property Name: _____ County: _____ BIN #: _____

Address: _____ Unit Number: _____ #Bedrooms: _____

PART II. HOUSEHOLD COMPOSITION

HH Mbr #	Last Name	First Name & Middle Initial	Relationship to Head of Household	Date of Birth (MM/DD/YYYY)	F/T Student (circle one)	Last 4 Digits of Social Security No.
1					FT / PT / NAP	
2					FT / PT / NAP	
3					FT / PT / NAP	
4					FT / PT / NAP	
5					FT / PT / NAP	
6					FT / PT / NAP	
7					FT / PT / NAP	

PART III. GROSS ANNUAL INCOME (USE ANNUAL AMOUNTS)

HH Mbr#	(A) Employment	(B) Social Security/Pensions	(C) Public Assistance	(D) Other Income
TOTALS	$	$	$	$
			Total Income (E):	**$**

PART IV. ASSETS

PART IVA. INCOME FROM ASSETS - LESS THAN OR EQUAL TO IMPUTED INCOME LIMITATION

Total net value from Non-necessary Personal Property (NNPP), Real Property, and Federal Tax Refunds/Credits has been verified as ***LESS*** than or ***EQUAL*** to the Imputed Income Limitation

Enter Total of **ACTUAL INCOME** earned from all Assets from the Asset Self-Certification Form **(F)**	**$**

PART IVB. INCOME FROM ASSETS – GREATER THAN IMPUTED INCOME LIMITATION

Total net value from Non-necessary Personal Property (NNPP) and Real Property has been verified as ***GREATER*** than the Imputed Income Limitation.

HH Mbr#	(G) Type of Asset	(H) C/D	(I) NNPP / Real/ Tax Relief	(J) Cash Value of Asset	(K) A/I	(L) Annual Income from Asset
					Enter Total Income from all Assets **(M)**	**$**

PART V. TOTAL HOUSEHOLD INCOME

Total Annual Household Income from All Sources [Add (E) + (F) ***OR*** (E) + (M)]	**$**

HOUSEHOLD CERTIFICATION & SIGNATURE(S)

The information on this form will be used to determine maximum income eligibility. I/we have provided for each person(s) set forth in Part II acceptable verification of current anticipated annual income. I/we agree to notify the landlord immediately upon any member of the household moving out of the unit or any new member moving in. I/we agree to notify the landlord immediately upon any member becoming a full-time student.

Under penalties of perjury, I/we certify that the information presented in this Certification is true and accurate to the best of my/our knowledge and belief. The undersigned further understands that providing false representations herein constitutes an act of fraud. False, misleading or incomplete information may result in the termination of the lease agreement.

Signature	*Date*	*Signature*	*Date*
Signature	*Date*	*Signature*	*Date*

PART VI. DETERMINATION OF INCOME ELIGIBILITY

TOTAL ANNUAL HOUSEHOLD INCOME FROM ALL SOURCES: $ _____
From Part V. on Page 1

Current Income Limit per Family Size: $ _____

Household Income at Move-in: $ _____

Household Size at Move-in: _____

Designated Income Restriction:

☐ 80% ☐ 70%
☐ 60% ☐ 50%
☐ 40% ☐ 30%
☐ 20% ☐ _____%

RECERTIFICATION ONLY:

Current Income Limit x 140%: $ _____

Household is over income at recertification:

☐ Yes ☐ No

PART VII. RENT

Tenant Rent: $ _____

Utility Allowance: $ _____

Rental Assistance: $ _____

Other non-optional / mandatory fees: $ _____

Gross Rent for Unit (See Instructions): $ _____

Unit Meets Rent Restriction at:

☐ 80% ☐ 70%
☐ 60% ☐ 50%
☐ 40% ☐ 30%
☐ 20% ☐ _____%

Is the source of Rental Assistance Federal? ☐ Yes ☐ No *If No, what is the source of the assistance?* _____

☐ HUD Multi-Family Project-Based Rental Assistance (PBRA)
☐ HUD Section 8 Moderate Rehabilitation
☐ Public Housing Operating Subsidy
☐ HOME Tenant Based Rental Assistance (TBRA)
☐ HUD Housing Choice Voucher (HCV-tenant based)
☐ HUD Project-Based Voucher (PBV)
☐ USDA Section 521 Rental Assistance Program
☐ Other Federal Rental Assistance _____

PART VIII. STUDENT STATUS

Are all occupants Full-Time Students?	If Yes, enter Student Explanation* and attach documentation	Student Explanation:
☐ Yes ☐ No	Enter 1-5: _____	1. TANF assistance 2. Previously in state foster care system 3. Job Training Program 4. Single parent/dependent child 5. Married/joint return

PART IX. PROGRAM TYPE

Mark the program(s) listed below (a. through e.) for which this household's unit will be counted toward the property's occupancy requirements. Under each program marked, indicate the household's income status as established by this Certification.

a. Housing Credit ☐	b. HOME ☐	c. Tax-exempt Housing Bond ☐	d. National HTF ☐	e. _____ ☐
See Part VI above.	*Income Status:*	*Income Status:*	*Income Status:*	*Income Status:*
	☐ ≤ 50% AMGI ☐ ≤ 60% AMGI ☐ ≤ 80% AMGI ☐ OI**	☐ ≤ 50% AMGI ☐ ≤ 60% AMGI ☐ ≤ 80% AMGI ☐ OI**	☐ 30%/Poverty Line ☐ ≤ 50% AMGI ☐ OI**	☐ _____% ☐ _____% ☐ OI**

** Upon recertification, household was determined over-income (OI) according to eligibility requirements of the program(s) marked above.

SIGNATURE OF OWNER/REPRESENTATIVE

Based on the representations herein and upon the proofs and documentation required to be submitted, the individual(s) named in Part II of this Tenant Income Certification is/are eligible under the provisions of Section 42 of the Internal Revenue Code, as amended, and the Land Use Restriction Agreement (if applicable), to live in a unit in this Project.

_____ _____

Owner/representative Signature *Date*

SHD TENANT AFFIDAVIT

Completed at initial in-take for all households residing in short term occupancy arrangements such as Emergency Shelters, Hospice Care Facilities and Licensed Group Homes funded through NCHFA.

Date: _____

Development Name: _____

Head of Household Name or ID: _____ Unit No/Bed No/ID No: _____

READ THIS DOCUMENT CAREFULLY TO BE SURE THAT INFORMATION IS TRUE AND COMPLETE BEFORE YOU SIGN IT.

The Tenant Affidavit is valid up to 90 days. Residents residing longer than 90 days must complete an application, have income/assets 3rd party verified and sign a Tenant Income Certification.

PART 1 – SELECT ONE OPTION:

☐ I/we do not have any income at this time **(If selected, move to Part 3, then sign);**

☐ I/we do have income at this time pursuant to the description below **(If selected, move to Part 2, then sign);**

Total income includes: wages, salary, overtime pay, commissions, fees, tips, and bonuses before deductions; interest and dividend payments; TANF; social security benefits; annuities; pensions; retirement funds; disability benefits; alimony; child support; and other regular contributions – source documents will be provided upon request.

PART 2 – INCOME INFORMATION:

Current Pay Rate/Benefit: $_____ Average # of regular hours per week: _____

Frequency (select one): ☐Hourly ☐Weekly ☐Bi-Weekly ☐Semi-Monthly ☐Monthly ☐Annually ☐Other: _____

My household size of _____has an expected annual income of $_____.

Income Limit based on household size (found in RCRS): $_____

PART 3 – CERTIFICATION:

	Read and Understood	
This affidavit is only made for purposes of documenting eligibility at initial intake or move-in.	☐YES	☐NO
Income eligibility is a requirement of the housing which is operated in agreement with the rules of North Carolina Housing Finance Agency and other state and federal guidelines.	☐YES	☐NO
Additional information and documentation may be required to complete the Tenant Income Certification if/when occupancy exceeds 90 days and annually if required by the program.	☐YES	☐NO

SIGNATURES:

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.

_____ _____ _____

Printed Name Signature Date

ASSET SELF-CERTIFICATION

ANNUAL ASSET THRESHOLD: _____

For households whose combined assets do not exceed the annual asset self-certification threshold. Complete only one form per household; include assets of all household members including children. Form cannot be used for HOME/NHTF at move-in.

Development Name: _____

Head of Household Name: _____ Unit No: _____

Certification Type: ❑ Initial ❑ Recertification (Effective Date: _____)

PART 1 – SELECT ONE OPTION:

❑ I/we do not have any assets at this time (move to Part 2):
❑ I/we have the following assets (enter n/a if you do not own the respective asset):

Note: Be sure to include the value of any cash or other asset in a safe deposit box or any other means of storage.
*** Cash value** is market value minus cost to convert an asset to cash, such as broker's fees, settlement costs, outstanding loans, penalties for early withdrawal, etc.

NON-NECESSARY PERSONAL PROPERTY

TYPE OF ASSET	CASH VALUE*	INTEREST RATE (IF APPLICABLE)	ANNUAL INCOME	TYPE OF ASSET	CASH VALUE*	INTEREST RATE (IF APPLICABLE)	ANNUAL INCOME
Non-necessary personal property (non-account assets such as RVs, ATVs, boats, antique cars, stamp collections, etc)				**Annuities** (current balance)	$		$
Description:	$		$	**Brokerage accounts** current account balance (mutual funds, etc.)	$		$
Description:	$		$	**Life Insurance** (not term life)	$		$
Cash on hand	$		N/A	**Cryptocurrency** (Bitcoin, etc.)	$		$
Checking (current balance)	$		$	**Stocks/Bonds** (current balance)	$		$
Savings (current balance)	$		$	**CD/Money Market** (current balance)	$		$
Debit cards (not linked to an account that is listed above)	$		N/A	**Trust accounts** (current balance)	$		$
Internet based assets (Cash App, Venmo, PayPal, ApplePay, etc.)	$		$	**Lump sum amounts received** not listed in above accounts (lottery/inheritance, etc.)	$		$
Other | Description:	$		$	**Other | Description:**	$		$
				[A] Total cash value of non-necessary personal property:	$	**[B] Total Income:**	$

Important Note | if the above total value [A] is less than the annual asset self-certification threshold, it is not added into the Total Net Assets Section [F] below. However, total income from non-necessary personal property above is added to total income [G] below.

REAL PROPERTY

DESCRIPTION OF PROPERTY	CASH VALUE		INCOME
	$		$
	$		$
[C] Total real property value:	$	**[D] Total real prop income:**	$

TOTAL NET ASSETS AND INCOME

[E] Tax Refund. Have you received a tax return or refundable tax credit in the last 12 months?
❑ yes ❑ no → value of return/credit $ **Subtract tax return/credit (if any) from total net assets. See formula for [F]**

[F] Total Net Assets: (Total real property [C] + non-necessary personal property [A] (if [A] exceeds annual asset self-certification threshold) – [E] tax return/refundable credit)	$	**[G] Total Asset Income: [B] + [D]**	$

PART 2 – SELECT ONE OPTION:

❑ Within the past two (2) years, I/we have sold or given away assets (including cash, real estate, etc.) below fair market value (FMV). Those amounts equal a total of: $_____ (enter the difference between FMV and the amount you received).

❑ 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.

All household members age 18 or older must sign and date.

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/Resident Signature Date Applicant/Resident Signature Date

Language Access Plan

Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000(d) and Executive Order 13166 require that recipients of federal funds take responsible steps to ensure meaningful access by persons with limited English proficiency ("LEP persons"). The North Carolina Housing Finance Agency ("NCHFA" or "NC Housing Finance Agency") is a recipient of federal funds for a portion of its programs and thus obligated to reduce language barriers that can preclude meaningful access by LEP persons to NC Housing Finance Agency's programs.

For the purposes of this plan:

a) *LEP* means Limited English Proficiency.
b) *LAP* means Language Access Plan.
c) *Limited English Proficiency person means* a person who does not speak English as their primary language and who has a limited ability to speak, read, write or understand English.
d) *Sub-grantee* means an entity designated as a recipient for funding assistance whether directly or indirectly from the NC Housing Finance Agency which provides housing, benefits, counseling, or other assistance to individuals or other entities. This includes, but is not limited to, any unit of local government, public housing authority, community housing development organization, public or private nonprofit agency, developer, private agency or institution, builder, property manager, residential management corporation, or cooperative association which receives funding assistance from the NC Housing Finance Agency.

Analysis

The NC Housing Finance Agency conducted a four-factor analysis, considering (1) the number or proportion of LEP persons eligible to be served or likely to be encountered by NC Housing Finance Agency or its federally funded programs, (2) frequency with which LEP persons come into contact with NC Housing Finance Agency programs, (3) nature and importance of the program, activity or service to people's lives and (4) resources available and costs:

(1) Per the 2021 American Community Survey Five-Year Estimate, 7.7% of North Carolina's population speaks Spanish at home, and 3.1% of North Carolina's population is Spanish-speaking with limited English proficiency at home. No other language group has a sizeable LEP population. About 87.9% of North Carolina's population speaks only English at home.
(2) NC Housing Finance Agency primarily provides funds to organizations and rarely interacts directly with individual households. Even in situations where the funds directly benefit an individual household, NCHFA's contact is almost entirely with the organization or lender assisting the household, not with the household itself. NC Housing Finance Agency provides housing assistance through local government, nonprofit and for-profit partners. As a result,

North Carolinian individuals, including LEP persons, infrequently come in contact with federally-funded programs directly through NC Housing Finance Agency.

(3) NC Housing Finance Agency helps provide an important and acute need in people's lives, housing. Generally, NC Housing Finance Agency's single-family housing programs serve individuals through government, nonprofit and for-profit partners and its multifamily housing programs work with developers and property managers; NC Housing Finance Agency has limited programmatic interaction with individuals.

(4) In response to the significant Spanish-speaking population in North Carolina, NC Housing Finance Agency has a Spanish version of its website and has vital documents, program brochures and materials available in Spanish. In addition, NC Housing Finance Agency staff members who are bilingual in English and Spanish are available to translate. Upon request, NC Housing Finance Agency will provide oral interpretation and/or written translation in other languages. NC Housing Finance Agency will have available language identification (or "I speak") cards or posters. If other significant populations of LEP persons are identified, NC Housing Finance Agency will consider additional targeted measures to serve those populations.

Because virtually all assistance is provided by NC Housing Finance Agency's partners, all sub-grantees are and will be required to comply with Title VI and its accompanying regulations. All organizations receiving federal funds will conduct and provide a four-factor analysis to NC Housing Finance Agency and organizations serving counties with an LEP group that is at least 5% or at least 1,000 people will be required to complete an LAP. NC Housing Finance Agency will assist agencies in finding appropriate translation resources and will disseminate translated U.S. Department of Housing and Urban Development ("HUD") notices, brochures and other documents. Additionally, individual NC Housing Finance Agency programs may provide more language access assistance beyond the strategies described within this plan.

Evaluation

NC Housing Finance Agency will update its four-factor analysis and LAP as warranted to ensure it continues to provide meaningful access to LEP persons as and will revise its policies and procedures as necessary. Additionally, if the NC Housing Finance Agency learns that the number of LEP persons speaking any given language exceeds 2% of the North Carolina population[1], NC Housing Agency will review and, as warranted, update its language access strategies and language access plan. NC Housing Finance Agency staff will also be trained on LEP policies and procedures.

NC Housing Finance Agency's LAP is available to the public. The information will be made available in a form accessible to persons with disabilities upon request to NCHFA, 3508 Bush Street, Raleigh NC 27609, Tel. (919) 877-5700.

Citizens, public agencies and other interested parties will have reasonable and timely access to information and records relating to the LAP. All records that are public under G.S. 132 will be made accessible to interested individuals and groups during normal working hours.

[1] Based on analysis of the most recent US Census Bureau ACS 5-Year Estimates Detailed Table C16001.

At any time, citizens may submit complaints related to the LAP by contacting NC Housing Finance Agency's LAP/LEP contact people: Brian O'Donnell and Bettie Teasley at ResearchHelp@nchfa.com. NC Housing Finance Agency will provide a written response to every written complaint that relates to the LAP within 30 business days.

Updated 09/26/23

NCHFA Guidance for Developing a Four Factor Analysis and LAP

Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000(d) and Executive Order 13166 require that recipients of federal funds take responsible steps to ensure meaningful access by persons with limited English proficiency. A Limited English Proficient (LEP) person is a person who does not speak English as their primary language and who has a limited ability to read, speak, write or understand English. To ensure meaningful access to its programs for LEP persons, NCHFA requires that all its recipients receiving federal funds conduct a Four Factor Analysis.

To conduct the first part of the Analysis, you will need to access Census Data.

- Go to https://data.census.gov/cedsci/ and search for C16001 to access the table "Language Spoken at Home for the Population 5 Years and Over."
- Click on the Product selector and pull down to select the latest available "ACS 5-Year Estimates Detailed Tables."
- Select "Geos" and under Geography select "County," then select "North Carolina," then "All Counties within North Carolina."[1]
- Click "Close."
- Select "Excel" from the top menu bar, then "Export to Excel."

For any LEP group that is at least 1,000 people or is 5% or more of your county's total population, NCHFA considers that significant size and requires a Language Assistance Plan (LAP). Each project still needs to conduct the Four Factor Analysis if the LEP population(s) are smaller than 1,000 people or 5% of the county population.

To determine if you reach the 5% or higher threshold, take the total number of people in your county and multiply by 0.05. After you have this number, compare it to the numbers in the columns "Speak English less than very well." If the number is the same or higher than the 5% number you calculated, the population of this language group is considered to be of significant size and requires a Language Access Plan (LAP) which will be discussed later in this guidance.

[1] Alternatively, you can select only those counties in your service area. If your service area is smaller than the county level or these county-level data otherwise do not align "the number or proportion of LEP persons eligible to be served or likely to be encountered," other reliable data sources may be used.

To conduct a Four Factor Analysis, you must assess the following:

1. The number or proportion of LEP persons eligible to be served or likely to be encountered by the program or recipient (see above for instructions);
2. The frequency with which LEP individuals come in contact with the program;
3. The nature and importance of the program, activity or service provided by the program to people's lives; and
4. The resources available to the recipient and costs.

If your Data show a percentage is 5% or greater or an LEP group with at least 1,000 people, you will need to create a Language Access Plan (LAP). In addition to the information provided for your Four Factor Analysis, your LAP, which should be a concise document of 1-2 pages, should address what language assistance services will be provided if requested or needed. For example, if your organization has bilingual staff or a program website in another language, these would be considered language assistance services. You can also include items like your organization will contact the Carolina Association of Interpreters and Translators if language services are requested and/or have HUD's "I Speak" cards available in your office for LEP persons who walk in. Other examples of language assistance services include: contracting with another organization to supply an interpreter when needed; using a telephone service line interpreter; or seeking the assistance of another agency in the same community with bilingual staff to provide oral interpretation. HUD's "I Speak" cards and some translated materials are available here: https://www.hud.gov/program_offices/fair_housing_equal_opp/17lep.

The LAP should also include the following:

- Plan for outreach to LEP communities;
- Plan for training staff members on your LAP and on federal LEP guidance (available at https://www.lep.gov/guidance/guidance_index.html);
- List of vital documents to be translated (if any);
- Plan for translating informational materials that detail services for beneficiaries;
- Plan for providing interpreters for meetings (if needed);
- Plan for developing community resources, partnerships and other relationships to help with the provision of language services; and
- Designation of LEP/LAP contact person and address the process for handling complaints and updating the LAP.

Furthermore, the organization must maintain records regarding their efforts to comply with Title VI LEP obligations, including documents related to the Four Factor Analysis, the LAP and LEP services provided. Such records should be available for State monitoring if needed.

Additional guidance for four-factor analysis and LAP creation:
HUD Guidance: https://www.hud.gov/program_offices/fair_housing_equal_opp/promotingfh/lep-faq
DOJ Guidance: https://www.federalregister.gov/documents/2000/08/16/00-20867/enforcement-of-title-vi-of-the-civil-rights-act-of-1964-national-origin-discrimination-against

Updated: 01/06/2023

Acronym Cheat Sheet

ACH	Automated Clearing House
ADA	Americans with Disabilities Act
AFHMP	Affirmative Fair Housing Marketing Plan
AMI	Area Median Income
AOC	Annual Owners Certification
ARRA	American Recovery and Reinvestment Act of 2009
BIN	Building Identification Number
CDBG	Community Development Block Grant
CFR	Code of Federal Regulations
CHDO	Community Housing Development Organization
CO	Certificate of Occupancy
CPD	Community Planning and Development
DHHS	Department of Health and Human Services
EUA	Extended Use Agreement
FHA	Fair Housing Act 1968 (1974/1988)
FMR	Fair Market Rent
HAP	Housing Assistance Payment
HCV	Housing Choice Voucher
HERA	Housing and Economic Recovery Act of 2008
HFA	Housing Finance Agency
HOME	HOME Investment Partnerships Program
HOPWA	Housing Opportunities for Persons with AIDS
HQS	Housing Quality Standards
HTF	Housing Trust Fund
HUD	U.S. Department of Housing and Urban Development
IRC	Internal Revenue Code
IRS	Internal Revenue Service
LEP	Limited English Proficiency
LIHC	Low Income Housing Credit

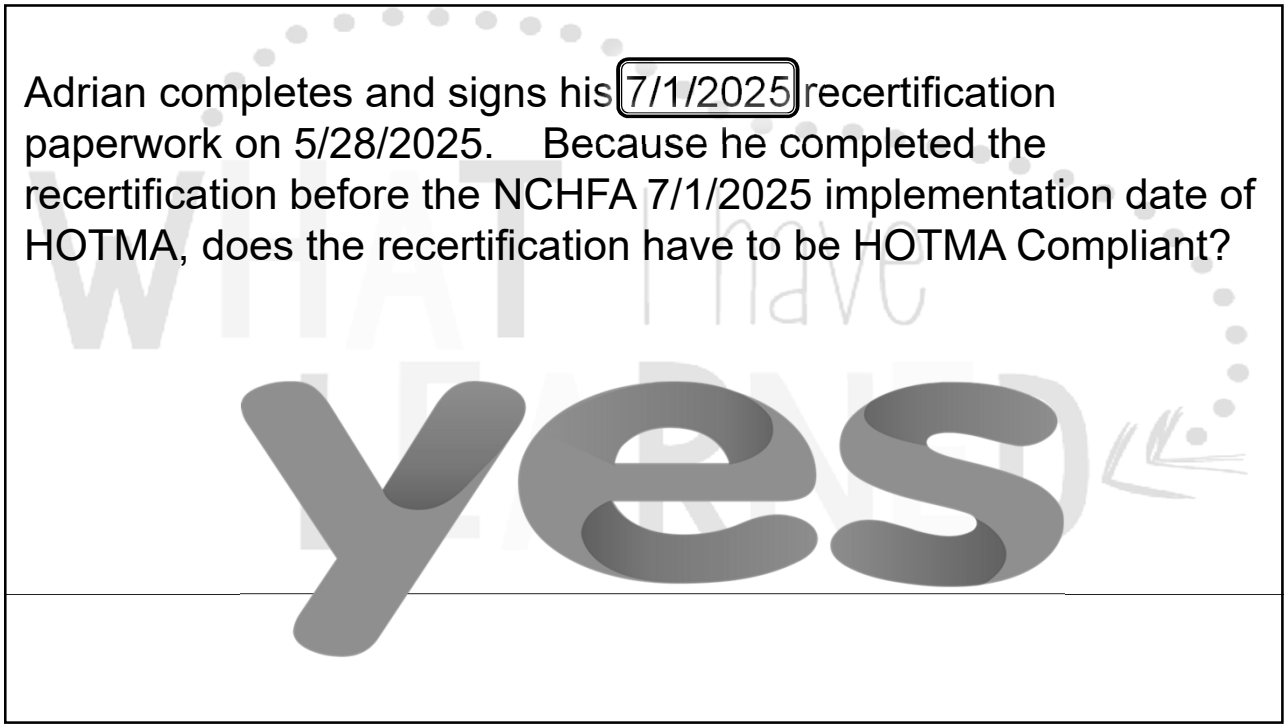
Acronym Cheat Sheet

LURA	Land Use Restriction Agreement
MSA	Metropolitan Statistical Area
MTSP	Multi-family Tax Subsidy Program
NCHFA	North Carolina Housing Finance Agency
PBRA	Project-based Rental Assistance
PHA	Public Housing Authority
PJ	Participating Jurisdictions
PLP	Preservation Loan Program
QAP	Qualified Allocation Plan
RA	Rental Assistance
RAD	Rental Assistance Demonstration
RD	Rural Development
REAC	Real Estate Assessment Center
RPP	Rental Production Program
SHDP	Supportive Housing Development Program
SRO	Single Room Occupancy
STC	State Tax Credits
TANF	Temporary Aid to Needy Families
TBRA	Tenant Based Rental Assistance
TSP	Tenant Selection Plan
TTP	Total Tenant Payment
UA	Utility Allowance
UPCS	Uniform Physical Conditions Standards
USDA	U.S. Department of Agriculture
VASH	Veterans Affairs Supportive Housing Program
VAWA	Violence Against Women Act
WHLP	Workforce Housing Loan Program
WIA	Workforce Investment Act

ANSWER SLIDES

NORTH CAROLINA HOUSING FINANCE AGENCY
HousingBuildsNC.com

Adrian completes and signs his 7/1/2025 recertification paperwork on 5/28/2025. Because he completed the recertification before the NCHFA 7/1/2025 implementation date of HOTMA, does the recertification have to be HOTMA Compliant?



Natalie has disclosed that she has a checking account with a $500 cash balance and a 401k account with a cash value of $10,000. Her roommate America has disclosed she has a pay card with a cash balance of $500. What is the cash value of the household's assets?

Checking Account	$500
~~401k Account~~	~~$10,000~~
+Pay Card	$500
Total Household Assets	$1,000

HOTMA Change

Retirement accounts are excluded assets

Gabe has employment income of $25,000 annually along with Lyft income of $5,000. His roommate, Angel, is currently out of work and receives $25,000 annual in Worker's Compensation. What is the Household annual income?

Employment Income (Gabe)	$25,000
Gig Income (Gabe)	$5,000
~~+Worker's Compensation (Angel)~~	~~$25,000~~
Total Household Income	$30,000

HOTMA Change

Worker's Compensation payments is excluded

Carolina is a full-time student, she is receiving the following grants and scholarships: $23,000 in a federal Pell Grant, a $5,000 Teach Grant and another $5,000 scholarship from a local travel ball team. Her actual covered cost are $26,000.

How much student financial assistance is excluded under 479B of the HEA?

Federal Pell Grant	$23,000
Teach Grant	$5,000
Scholarship	$5,000

$28,000

- All assistance received under 479B of the HEA is excluded from income
- Other student financial assistance received by the student that, either by itself or in combination with HEA assistance, exceeds the actual covered cost is not excluded from income

Carolina is a full-time student, she is receiving the following grants and scholarships: $23,000 in a federal Pell Grant, a $5,000 Teach Grant and another $5,000 scholarship from a local travel ball team. Her actual covered cost are $28,000.

How much student financial assistance is excluded under 479B of the HEA? $28,000

How much assistance is would be counted as income?

Excluded Assistance	$28,000
Covered Cost	$28,000
	$0
Scholarship	$5,000

Subtract Excluded Cost from the Covered Cost

$5,000 Assistance Income

HOTMA Update: Applies to all Tax Credit Households

What if?

Juan is a full-time student, he is receiving the following grants and scholarships: $23,000 in a federal Pell Grant, a $5,000 Teach Grant and another $5,000 scholarship from a mentor program. His actual covered cost are $34,000.

How much assistance is would be counted as income?

Excluded Assistance	$28,000
Covered Cost	-$34,000
	$6,000
Scholarship	-$5,000

Subtract the Excluded Assistance from the Covered Cost

If there is a remaining balance subtract the remaining covered cost balance from the included assistance

Most Common

$1,000 Remaining Covered Cost

There is no assistance income

Covered cost balance is greater than the included assistance

Omar discloses on his move-in application that he has the following assets: A checking account that has a current balance of $500 that pays .25% annual interest, savings account that has a $10,000 current balance that pays .15% annual interest and $25,000 cash on hand.

What is the total cash value of all Omar's assets?

Checking account	$500
Savings account	$10,000
+Cash on hand	$25,000
Total cash value of asset	**$35,500**

Can Omar complete a Asset Self-Certification or does management have to third party verify all of the assets? **Yes, but…**

If the property has HOME or National Housing Trust Funding, can only be used at recertifications, not move-in

Omar discloses on his move-in application that he has the following assets: A checking account that has a current balance of $500 that pays .25% annual interest, savings account that has a $10,000 current balance that pays .15% annual interest and $25,000 cash on hand.

What is the total income from assets that would be listed on the Tenant Income Certification (TIC)?

Checking account ($500 x .25%)	$1.25
Savings account ($10,000 x .15%)	$15
+Cash on hand	No Asset Income
Total income from assets	**$16**

Enter $16 total income from assets

on Line Part IVa., Income from Assets, Line F of the TIC

The $35,500 is not listed on the TIC

What does it look like?

PART IV. ASSETS

PART IVA. INCOME FROM ASSETS - LESS THAN OR EQUAL TO IMPUTED INCOME LIMITATION

Total net value from Non-necessary Personal Property (NNPP), Real Property, and Federal Tax Refunds/Credits has been verified as ***LESS*** than or ***EQUAL*** to the Imputed Income Limitation

Enter Total of **ACTUAL INCOME** earned from all Assets from the Asset Self-Certification Form **(F)** $

PART IVB. INCOME FROM ASSETS – GREATER THAN IMPUTED INCOME LIMITATION

Total net value from Non-necessary Personal Property (NNPP) and Real Property has been verified as ***GREATER*** than the Imputed Income Limitation.

HH Mbr#	(G) Type of Asset	(H) C/D	(I) NNPP / Real/ Tax Relief	(J) Cash Value of Asset	(K) A/I	(L) Annual Income from Asset

Enter Total Income from all Assets **(M)** $

Enter $16 on Line F

Jeremy discloses on his recertification questionnaire that the following assets have been verified: Checking account with a cash value of $25,000 with .15% annual interest, a pay card with cash balance of $1,000, cash on hand amount of $1,000 and real estate cash value of $75,000.

What is the total cash value of assets?

Checking account	$25,000
Pay card	$1,000
Cash on hand	$1,000
+Real estate	$75,000
Total cash value of assets	**$102,000**

Can the Asset Self- Certification be used? No

The total cash value of assets exceeds the current annual asset limitation

Jeremy discloses on his recertification questionnaire that he the following assts that have been verified: Checking account with a cash value of $25,000 with .15% annual interest, a pay card with cash balance of $1,000, cash on hand amount of $1,000 and real estate cash value of $75,000.

What is the total income from assets?

Checking account ($25,000 X .15%)	$37.50
Pay card	No Asset Income
Cash on hand	No Asset Income
+Real estate ($75,000 X .45%)	$337.50 (imputed)
Total income from assets	**$375**

Only impute on the asset that the income cannot be determined when the total household assets exceed the asset threshold

What does this look like?

PART IV. ASSETS						
PART IVA. INCOME FROM ASSETS - LESS THAN OR EQUAL TO IMPUTED INCOME LIMITATION						
Total net value from Non-necessary Personal Property (NNPP), Real Property, and Federal Tax Refunds/Credits has been verified as ***LESS*** than or ***EQUAL*** to the Imputed Income Limitation						
Enter Total of **ACTUAL INCOME** earned from all Assets from the Asset Self-Certification Form **(F)**						$
PART IVB. INCOME FROM ASSETS – GREATER THAN IMPUTED INCOME LIMITATION						
Total net value from Non-necessary Personal Property (NNPP) and Real Property has been verified as ***GREATER*** than the Imputed Income Limitation.						
HH Mbr#	(G) Type of Asset	(H) C/D	(I) NNPP / Real/ Tax Relief	(J) Cash Value of Asset	(K) A/I	(L) Annual Income from Asset
				Enter Total Income from all Assets **(M)**		$
PART V. TOTAL HOUSEHOLD INCOME						
Total Annual Household Income from All Sources [Add (E) + (F) ***OR*** (E) + (M)]						$

List all of the assets and related information

List annual income for each asset in Column L and the total on Line M

Household: Gracyn has cash on hand in the amount of $1,000, Daniella has a CashApp balance of $1,000 and Ana has a checking account with a cash value of $5,000 that pays .25% interest annually. Combined, the three received a state and federal tax return in the past 12-month in the amount $4,000.

What is the household combined total cash assets value? **$7,000**

Cash on hand	$1,000
CashApp	$1,000
+Checking account	$5,000
Total household combined assets	$7,000

Household: Gracyn has cash on hand in the amount of $1,000, Daniella has a CashApp balance of $1,000 and Ana has a checking account with a cash value of $5,000 that pays .25% interest annually. Combined, the three received a state and federal tax return in the past 12-month in the amount $4,000.

What is the household combined total cash assets value? $7,000

What is the household combined income from assets? **$12.50**

Cash on hand	No Asset Income
CashApp	No Asset Income
+Checking account ($5,000 X .25%)	$12.50
Total household combined income from assets	$12.50

Let's take a look

Self Asset-Certification

The $12.50 is entered on Line F of the TIC

NON-NECESSARY PERSONAL PROPERTY

Type of Asset	Cash Value*	Interest Rate (if applicable)	Annual Income
Non-necessary personal property (non-account assets such as RVs, ATVs, boats, antique cars, stamp collections, etc)			
Description:	$ N/A	N/A	$ N/A
Description:	$ N/A	N/A	$ N/A
Cash on hand	$ 1,000	N/A	N/A
Checking (current balance)	$ 5,000	.25%	$ 12.50
Savings (current balance)	$ N/A	N/A	$ N/A
Debit cards (not linked to an account that is listed above)	$ 1,000	N/A	N/A
Internet based assets (Cash App, Venmo, PayPal, ApplePay, etc.)	$ N/A	N/A	$ N/A
Other | Description:			

Type of Asset	Cash Value*	Interest Rate (if applicable)	Annual Income
Annuities (current balance)	$ N/A	N/A	$ N/A
Brokerage accounts current account balance (mutual funds, etc.)	$ N/A	N/A	$ N/A
Life Insurance (not term life)	$ N/A	N/A	$ N/A
Cryptocurrency (Bitcoin, etc.)	$ N/A	N/A	$ N/A
Stocks/Bonds (current balance)	$ N/A	N/A	$ N/A
CD/Money Market (current balance)	$ N/A	N/A	$ N/A
Trust accounts (current balance)	$ N/A	N/A	$ N/A
Lump sum amounts received not listed in above accounts (lottery/inheritance, etc.)	N/A	N/A	N/A
Other | Description:	$ N/A	N/A	$ N/A
personal property:	$ 7,000	[B] Total Income:	$ 12.50

Important Note: ... added into the Total Net Assets Section [F] below. However, total income ... below.

The tax return refund do not have to be verified, if less than the asset limitation threshold

	Cash Value		Income
N/A	N/A		$ N/A
N/A	$ NA		$ N/A
[C] Total real property value:	$ 0	[D] Total real prop income:	$ 0

TOTAL NET ASSETS AND INCOME

[E] Tax Refund. Have you received a tax return or refundable tax credit in the last 12 months? ☐ yes ☐ no → $ 4,000 ... subtract tax return/credit (if any) from total net assets. See formula for [F]

[F] Total Net Assets: (Total real property [C] + non-necessary personal property [A] (if [A] exceeds annual asset self-certification threshold) – [E] tax return/refundable credit): $ 3,000

[G] Total Asset Income: [B] + [D]: $ 12.50

- Enter the $7,000 total cash value of assets and $12.50 total annual income of $12.50
- Line E, enter the $4,000 tax return. Line F, adjusted total cash value of assets
- Line G, is not impacted by the tax refund (same as from Line B)

Household: Ian has a checking account with a cash value of $5,000 that pays no interest, Alex has cash on hand of $5,000 and real estate that has a cash value of $75,000 that have all been verified. In the past twelve-months, they have a combined federal and state tax return of $2,000 that has been verified with copies of their filed tax returns.

What is to the total household combined assets? **$83,000**

Checking account	$5,000
+Cash on hand	$5,000
+Real Estate	$75,000
-Tax Refund	$2,000
Total household combined assets	$83,000

Can the Asset Self-Certification be used? **No, total household combined assets exceed the asset limitation threshold**

Household: Ian has a checking account with a cash value of $5,000 that pays no interest, Alex has cash on hand of $5,000 and real estate that has a cash value of $75,000 that have all been verified. In the past twelve-months, they have a combined federal and state tax return of $2,000 that has been verified with copies of their filed tax returns.

What is the total household combined assets? $83,000

Can the Asset Self-Certification be used? No, total household combined assets exceed the asset limitation threshold

What is the total household income from assets? **$337.50**

Checking account	No Asset Income
Cash on hand	No Asset Income
+Real estate ($75,000 X .45%)	$337.50
Total household income from assts	$337.50

How does the combined tax return impact assets?

Let's take a look…

Let's take a look

Tenant Income Certification

PART IV. ASSETS						
PART IVA. INCOME FROM ASSETS - LESS THAN OR EQUAL TO IMPUTED INCOME LIMITATION						
Total net value from Non-necessary Personal Property (NNPP), Real Property, and Federal Tax Refunds/Credits has been verified as ***LESS*** than or ***EQUAL*** to the Imputed Income Limitation						
Enter Total of **ACTUAL INCOME** earned from all Assets from the Asset Self-Certification Form **(F)**						$
PART IVB. INCOME FROM ASSETS – GREATER THAN IMPUTED INCOME LIMITATION						
Total net value from Non-necessary Personal Property (NNPP) and Real Property has been verified as ***GREATER*** than the Imputed Income Limitation.						
HH Mbr#	(G) Type of Asset	(H) C/D	(I) NNPP / Real/ Tax Relief	(J) Cash Value of Asset	(K) A/I	(L) Annual Income from Asset
1	Checking Account	C	NNPP	$5,000	A	$0
2	Cash on Hand	C	NNPP	$5,000	A	$0
2	Real Estate	C	Real	$75,000	I	$337.50
1/2	Tax Refund	C	Tax Relief	-$2,000	A	0
Enter Total Income from all Assets **(M)**						$ 337.50

List the combined tax return on the TIC under IVb
The filed tax refund(s) must be verified and attached

Darius has a checking account with a cash value of $25,000 with no interest income, CashApp with a balance of $27,000 and combined federal and state tax refund filed in the past twelve-months in amount of $1,000.

What is the total combined cash asset value?

Checking account	$25,000
+CashApp	$27,000
Total cash asset value	$52,000
-Federal/state tax refund	$1,000
Total combined cash asset value	$51,000

Current Asset Limitation Threshold $51,600

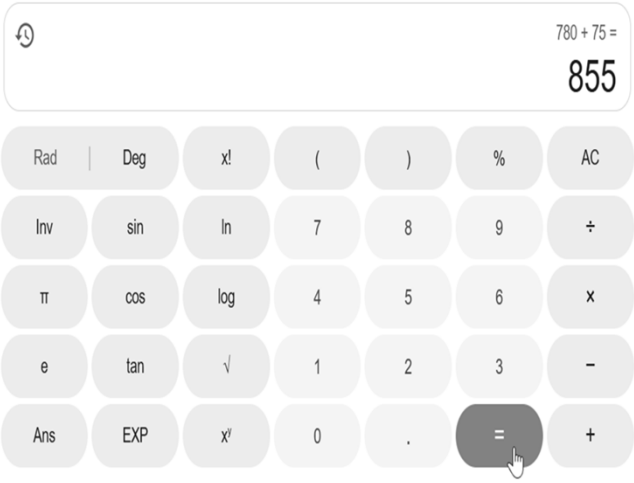
Can the Self Asset-Verification be used?

Yes! The tax refund reduces the combined cash asset value asset limitation threshold

Don't forget the tax refunds must be verified!

What is the gross rent?

- 2 Bedroom Apartment
- 30% Set-a-Side
- 5 Member Household
- $780 Tenant Rent
- $75 Utility Allowance



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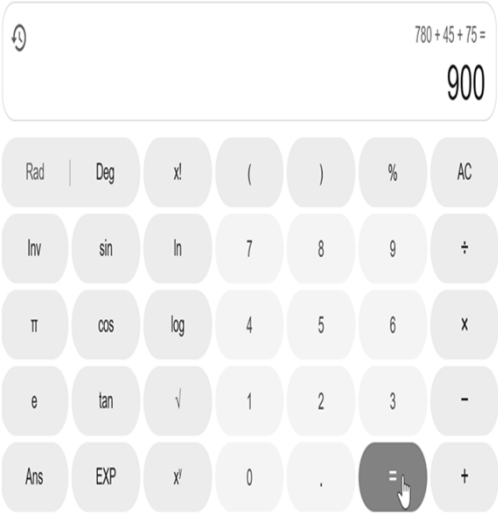
- 2 Bedroom Apartment
- 30% Set-a-Side
- 5 Member Household
- $780 Tenant Rent
- $45 Monthly Renters Insurance
- $75 Utility Allowance