PENNSYLVANIA HOUSING FINANCE AGENCY

OWNER'S CERTIFICATE OF CONTINUING PROGRAM COMPLIANCE

YEAR ENDING DECEMBER 31, _____

PROJECT NAME: _____

TAX CREDIT NUMBER: TC _____ REGION #: _____

ADDRESS: _____

_____ COUNTY: _____

☐ No buildings have been Placed in Service.
☐ At least one building has been Placed in Service, but owner elects to begin credit period in the following year.
If either of the above applies, please check the appropriate box and proceed to the end to sign and date this form.

OCCUPANCY INFORMATION (As of 12/31)

_____ Number of low-income units occupied.
_____ Number of low-income units vacant.
_____ Number of market rate units occupied.
_____ Number of market rate units vacant.
0 TOTAL NUMBER OF UNITS

WAIT LIST INFORMATION (As of 12/31)

_____ Number of households requesting low income units.
_____ Number of households requesting market rate units.
_____ Number of households requesting accessible units.

CERTIFICATION

The undersigned _____ on behalf of _____(the "Owner"), hereby certifies that:

1) The project meets the minimum requirements of: (check one)
   - ☐ 20-50 test under Section 42(g)(1)(A) of the Code.
   - ☐ 40-60 test under Section 42(g)(1)(B) of the Code.
   - ☐ 15-40 test for "deep rent-skewed" developments under Section 42(g)(4) and 142(d)(4)(B) of the Code.

2) There has been **no change in the applicable fraction** (as defined in Section 42(c)(1)(B) of the Code) for any building in the project:

   ☐ **NO CHANGE** ☐ **CHANGE**

   If **CHANGE**, list the applicable fraction to be reported to the IRS for each building in the project for the certification year:

3) a The owner has obtained Tenant Income Certification from each low-income resident and documentation to support the certification at their initial occupancy.

   ☐ **YES** ☐ **NO** ☐ **NA** **If NO, please explain:**

3) b The owner has obtained an Annual Tenant Income Certification from each low-income resident and documentation to support that annual recertification. The owner has qualified for an exemption from annual recertification by 1) having a 100% LIHTC qualified project 2) certifying that no units were occupied by nonqualified households (Reference question 23) and has obtained an Alternate Certification from each low-income resident.

   ☐ **YES** ☐ **NO** **If NO, please explain:**

4) Each low income unit in the project has been rent-restricted under Section 42(g)(2) of the Code.

YES **NO** **If NO, please explain:**

5) All low income units in the project are and have been for use by the general public and used on a non-transient basis (except for transitional housing for the homeless provided under Section 42(I)(3)(B)(iii) of the Code).

YES **NO** **HOMELESS** **If NO, please explain:**

6) No finding of discrimination under the Fair Housing Act, 42 U.S.C. 3601-3619, has occurred for this project. A finding of discrimination includes an adverse final decision by the Secretary of Housing and Urban Development (HUD), 24 CFR 180.680, an adverse final decision by a substantially equivalent state or local fair housing agency, 42 U.S.C. 3616a(a)(1), or an adverse judgment from a federal court.

NO FINDING **FINDING** **If a FINDING, please explain:**

7) Each building in the project is and has been suitable for occupancy, taking into account local health, safety, and building codes (or other habitability standards), and the state or local government unit responsible for making building code inspections did not issue a report of a violation for any building or low-income unit in the project.

YES **NO**

If **NO**, state nature of violation and provide a copy of the violation report as required by Treasury Regulation 1.42-5 and any documentation of correction:

8) There has been no change in the eligible basis (as defined in Section 42(d) of the Code) of any building in the project since the last certification submission.

NO CHANGE **CHANGE**

If **CHANGE**, state nature of change (e.g., a common area has become commercial space, a fee is now charged for a tenant facility formerly provided without charge, or the project owner has received federal subsidies with respect to the project which had not been disclosed to the allocating authority in writing):

9) All tenant facilities, included in the eligible basis under Section 42(d) of the Code, of any building in the project, such as swimming pools, other recreational facilities, parking areas, washer/dryer hookups, and appliances, were provided on a comparable basis without charge to all tenants in the buildings.

YES **NO** **If NO, please explain:**

10) If a low income unit in the project has been vacant during the year, reasonable attempts were or are being made to rent that unit, or the next available unit of comparable or smaller size, to tenants having a qualifying income before any units were or will be rented to tenants not having a qualifying income.

YES **NO** **If NO, please explain:**

11) If the income of tenants of a low-income unit in any building increased above the limit allowed in Section 42(g)(2)(D)(ii) of the Code, all available units of comparable or smaller size in that building were or will be rented to residents having a qualifying income.

☐ **YES** ☐ **NO** **If NO, please explain:**

12) a An extended low-income housing commitment as described in Section 42(h)(6) was in effect, including the requirement under Section 42(h)(6)(B)(iv) that an owner cannot refuse to lease a unit in the project to an applicant because the applicant holds a voucher or certificate of eligibility under Section 8 of the United States Housing Act of 1937, 42 U.S.C. 1437s.

☐ **YES** ☐ **NO** ☐ **NA** **If NO or NA, please explain:**

12) b Owner has not refused to lease a unit to an applicant based solely on their status as a holder of a Section 8 voucher and the project otherwise meets the provisions, including any special provisions, as outlined in the extended low-income housing commitment.

☐ **YES** ☐ **NO** ☐ **NA** **If NO or NA, please explain:**

13) The owner received its credit allocation from the portion of the state ceiling set-aside for a project involving "qualified nonprofit organizations" under Section 42(h)(5) of the Code and its nonprofit entity materially participated in the operation of the project within the meaning of Section 469(h) of the Code.

☐ **YES** ☐ **NO** ☐ **NA** **If NO or NA, please explain:**

14) There has been no change in the ownership or management of the project.

☐ **NO CHANGE** ☐ **CHANGE**

If **CHANGE**, please identify current owner/management agent, phone number, address, email address and date of ownership transfer:

Current Owner: Tax ID #:
Address:

Phone #: Email:
Date Ownership Transferred:

Current Management Agent:
Address:

Phone #: Email:
Date Management Transferred:

15) For **buildings** with four units or less: Are any of the units in the building occupied by the owner or a person related to the owner?

☐ **YES** ☐ **NO** ☐ **NA** (Check **NA** only if building has more than 4 units.)

16) **For Properties Placed In Service prior to July 30, 2008:**
For this compliance period, was the project a recipient of a federal grant or other form of federal subsidy (that would cause a reduction in eligible basis)?

☐ **YES** ☐ **NO** If **YES**, state the type of subsidy and the amount and term of the subsidy:

17) **Tax Credit Owner's Utility Certification:**

I have obtained accurate utility allowances using one of the following methods: 1) PHA Utility Allowance, 2) Local Utility Company Estimate, 3) State Housing Credit Agency Estimate, 4) HUD Utility Schedule Model, or 5) Energy Consumption Model.
I acknowledge this process to be an annual requirement of the LIHTC Program and certify to the adherence to this requirement for this calendar year.

OR

All utilities are included in rent and are not paid separately by the tenant.

☐ **YES** ☐ **NO** **If NO, please explain:**

18) All residents listed in the attached Rental Schedule are eligible under the provisions of Section 42 of the Code, as amended, and the Indenture for Restrictive Covenants.

☐ **YES** ☐ **NO** ☐ **NA** **If NO or NA, please explain:**

19) The project is fully compliant with all terms and provisions of the Restrictive Covenants Agreement.

☐ **YES** ☐ **NO** **If NO, please explain:**

20) For projects that received an allocation of tax credits based upon a certification that a percentage of units will be set aside for specific selection or resident criteria or implementation of a supportive service program, specific conditions are set forth in the Indenture of Restrictive Covenants for Low Income Housing Tax Credits (the "Indenture"). **Owner should be familiar with the specific set asides set forth in the Indenture.**

20) a The Owner has provided social supportive services or has established an internal rental subsidy to subsidize rents for tenants at or below 50% or 20% of the area median income with funds available from developer's fee.

☐ **YES** ☐ **NO** ☐ **NA** **If NO, please explain:**

20) b The Owner has provided significant funding and program support for lower income residents affected by life changes associated with preparing for and retaining employment.

☐ **YES** ☐ **NO** ☐ **NA** **If NO, please explain:**

20) c The Owner has provided supportive services pursuant to a certain supportive services plan submitted to the Agency in connection with the allocation of tax credits to tenants age 62 years and older, which allows them to maintain an independent lifestyle.

☐ **YES** ☐ **NO** ☐ **NA** **If NO, please explain:**

20) d The Owner has established a financially viable program with services in place to foster a conversion of the facility to homeownership at the end of the compliance period, and in the event units are not converted to homeownership at the end of the compliance period, all remaining rental units will be rented to qualified low-income residents.

☐ **YES** ☐ **NO** ☐ **NA** **If NO, please explain:**

20) e The Owner has established an internal rental subsidy to subsidize rents for _____ units set aside as accessible housing to persons with disabilities from funds available for increased equity raised from additional developer's fee. The tenant's portion does not exceed the rent affordable to persons with income at or below 20 percent of the area median income.

☐ **YES** ☐ **NO** ☐ **NA** **If NO, please explain:**

20) f _____ units in the project have been set aside as accessible housing to persons with disabilities. The tenant's portion does not exceed the rent affordable to persons with income at or below 20 percent of the area median income.

☐ **YES** ☐ **NO** ☐ **NA** **If NO, please explain:**

20) g _____ units in the project are available to persons who need accessible features of the units. During the first 30 days of rent-up, said units were available to such persons, and, thereafter, Owner has established a policy to allow the units to be occupied by persons who need the accessible feature to the greatest extent feasible and said policy has been incorporated in the lease provisions.

☐ **YES** ☐ **NO** ☐ **NA** **If NO, please explain:**

20) h _____ units in the project are currently occupied by persons who need the accessible features of the unit.

☐ **YES** ☐ **NO** ☐ **NA** **If YES, please specify unit numbers:**

20) i At least 20 percent of the units in the project are rented to, and rents are maintained at levels affordable to, tenants whose income does not exceed 40 percent of area median gross income.

☐ **YES** ☐ **NO** ☐ **NA** **If NO, please explain:**

20) j 1 At least _____ units will be available to tenants at or below _____ percent of area median gross income, or such number of units consistent with the applicable fraction for the project.

☐ **YES** ☐ **NO** ☐ **NA** **If NO, please explain:**

20) j 2 At least _____ units will be affordable to tenants at or below _____ percent of area median gross income, or such number of units consistent with the applicable fraction for the project.

☐ **YES** ☐ **NO** ☐ **NA** **If NO, please explain:**

20) k 1 **For allocations in years 1999 – 2001:**
The total rent received by the Owner including all rental and operating subsidies may not exceed the rents established for units at 50 percent of area median gross income for _____ units pursuant to its application for low-income housing tax credits with the Agency.

☐ **YES** ☐ **NO** ☐ **NA** **If NO, please explain:**

20) k 2 **For allocations in years 2002 and later:**
Owner hereby certifies that the total tenant paid rent received by the Owner for _____ units may not exceed the rents established for units at 50 percent of median income. In the event the Owner receives subsidies for rent from any source (including, without limitation, project-based, tenant based or internal rent subsidy programs), Owner certifies that upon expiration or termination of the subsidy the tenant paid portion of the rent may not exceed the 50 percent of area median income tax credit rent.

☐ **YES** ☐ **NO** ☐ **NA** **If NO, please explain:**

20) l **For Properties Placed In Service prior to July 30, 2008:**
In the event the project is a recipient of federal HOME funds and has received an allocation of tax credits based upon a 70 percent value calculation, at least 40 percent of the units in each building are rented to tenants at 50 percent of median income.

☐ **YES** ☐ **NO** ☐ **NA** **If NO or NA, please explain:**

20) m The Owner has set-aside at least _____ percent of the units in the project for residents who are physically or mentally disabled, including persons with HIV/AIDS, transitional or permanent housing for the homeless, seasonal farm workers, or extra accessible units and is providing supportive services to these residents.

☐ **YES** ☐ **NO** ☐ **NA** **If NO, please explain:**

21) For the projects comprised of buildings (or any part of a building) originally constructed or built prior to 1978, the federal regulation (24 CFR Part 35) governing lead-based paint will be applicable. (Implementation dates for these regulations may vary from jurisdiction to jurisdiction and based on program participation.) If applicable, Owner must have a clearance certification (performed by a qualified entity under the regulations) for (1) each unit occupied by a resident household with a child under the age of six receiving tenant-based rental assistance or (2) any project available for general occupancy receiving federally funded project-based rental assistance. The project is fully compliant with any applicable requirements of 24 CFR Part 35.

☐ **YES** ☐ **NO** ☐ **NA**

If applicable, provide evidence that tenant file includes copy of any clearance certifications:

22) For the preceding 12-month period, no tenants in low-income units were evicted or had their tenancies terminated for other than good cause, full protections of the Violence Against Women Act were provided, as applicable, and no tenants had an increase in the gross rent with respect to a low-income unit not otherwise permitted under Section 42.

☐ **YES** ☐ **NO** **If NO, please explain:**

23) For projects consisting of 100% LIHTC units, the owner hereby certifies that no unit was occupied by an ineligible household.

☐ **YES** ☐ **NO** **If NO, please explain:**

24) The Owner hereby certifies that no LIHTC unit was occupied in its entirety by full-time students; unless the household met an exception under IRS 42 (i)(3)(D).

☐ **YES** ☐ **NO** **If NO, please explain:**

25) The Owner has listed vacant units on PAHousingSearch.com.

☐ **YES** ☐ **NO** **If NO, please explain:**

26) The Owner has not requested any waivers to the provisions of Section 42 from the Agency pursuant to IRS Notice 2014-49 or 2014-50 to provide temporary housing or other assistance in accordance with the declaration of a major disaster.

☐ **NO WAIVER** ☐ **WAIVER** **If WAIVER, please explain:**

27) The Owner has provided a model lease with this report; which includes the PHFA LIHTC Lease Addendum:

☐ **YES** ☐ **NO** ☐ **NA** **If NO or NA, please explain:**

NOTE: **Failure to complete this form in its entirety will result in noncompliance with program requirements. In addition, any individual other than an owner or general partner of the project is not permitted to sign this form, unless permitted by the state agency.**

The project is otherwise in compliance with the Code, including any Treasury Regulations, the applicable State Allocation Plan, and all other applicable laws, rules and regulations. This Certification and any attachments are made UNDER PENALTY OF PERJURY.

☐ ***By checking this box, I agree that a signed copy of the Owner Certification will be maintained on file and that a copy will be provided to the Agency upon request.***

Ownership Entity: _____

Ownership Entity
Tax ID #: _____

Owner Signature: _____ Title: _____

Type/Print Name: _____

Phone: _____ Email: _____

Date: _____

NOTE: IF THIS IS THE FIRST YEAR OF THE COMPLIANCE PERIOD, PLEASE SEND PHFA A <u>SIGNED</u> COPY OF YOUR IRS FORM 8609, WITH PART II <u>COMPLETED</u>. IF QUESTION 8b. ON THE FORM 8609 IS ANSWERED AS YES, INCLUDE THE REQUIRED ATTACHED STATEMENT OF APPLICABLE BUILDINGS.