



CHFA/SPECTRUM

Tax Credit Compliance Training

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CONNECTICUT LIHTC WORKSHOP

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CONNECTICUT LIHTC WORKSHOP

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CONNECTICUT HOUSING FINANCE AUTHORITY TAX CREDIT COMPLIANCE TRAINING



**CONNECTICUT
HOUSING
FINANCE AUTHORITY**
Unlocking Solutions, Building Strong Communities.



**Spectrum
COMPLIANCE**



10:00

TIME REMAINING

SPECTRUM COMPLIANCE


 Harold Tucker - Presenter


 Wil Whalen - Panelist


 Shelby Carlson - Panelist


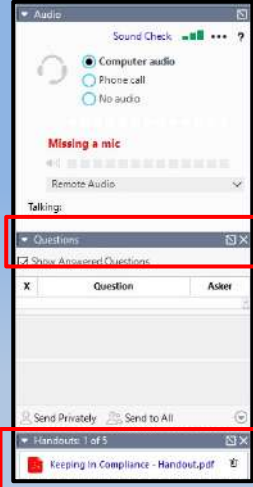


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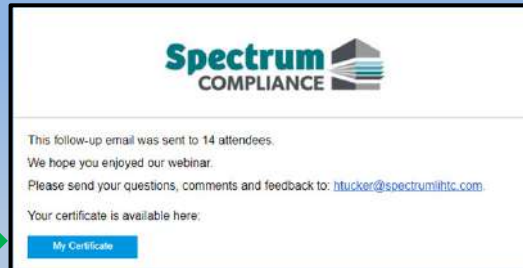
Expand your GoToWebinar control panel using the orange/white arrow icon

We will address as many questions as possible live.

There are handouts for today's presentation available to download

A Certification will be emailed to each registered participant at the close of the webinar.



NOTE:
You must be logged in under your own email and link to get a copy of your certificate.

The purpose of the LIHTC training is to review the IRS, CHFA and Spectrum requirements for compliance with the Internal Revenue Code Section 42 (IRC-42)



SPECTRUM Enterprises & CHFA Staff

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Fundamentals of the LIHTC Program



Key Players and Roles

Internal Revenue Service (IRS)

- Congress put the **IRS** in the role of issuer and regulator
- LIHTC is the only Housing Program in **IRS Code**. It's Law!



Key Players and Roles

CHFA - Housing Credit Agency (HCA)

Serves as **allocating** and **compliance** monitoring agency.

Spectrum Enterprises

CHFA contracts with Spectrum to provide **compliance** monitoring.



Key Players and Roles, cont.

Owners

- Own the development
- Ultimately responsible for compliance

Management Agents

- Responsible for the day-to-day operations
- Ensure compliance



Key Players and Roles, cont.

Limited Partners, Investors and Syndicators

Purchase the LIHTC Credits

These funds are used to build or rehabilitate
the development



Key Players and Roles, cont.

Legal Tax Counsel

- Perform advisory role
- Advise to legal and technical compliance



CPA Advice

- Perform advisory role
- Complete the final cost certification identifying the actual eligible costs in the development upon completion



Types of Investors

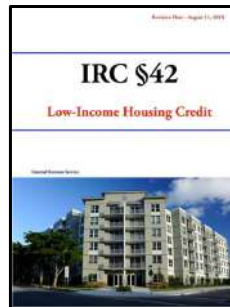
Corporate Entities Looking to shelter taxable income from federal taxation

- Large corporations
- Insurance companies
- Banks



IRS Code & Regulations

Rules for LIHTC program are embodied in **Section 42** of the Internal Revenue Code



IRS Revenue Rulings, IRS Revenue Procedures, IRS Private Letter Rulings and Technical Advice Memorandums (TAMS) provide changes and clarification to original regulations

IRS Code & Regulations

HUD Handbook 4350.3

- Sets forth rules for determining household eligibility and verification of income and assets

➤ Chapter 5!



IRS Code & Regulations

CHFA Compliance Monitoring Manual

will assist you in maintaining compliance
with IRS Code Section 42

Connecticut



2022 Connecticut HOME Limits
May 26, 2022

Quick Info

Compliance Manual

Connecticut Compliance Manual	10 MB	PDF
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End of Year Software

Status Report Software	25 KB	PDF
Instructions	42 KB	PDF
Spectrums Status Report Software	27 MB	PDF

Submission Deadline
All end of year materials due annually on April 1st.

[Submit Files](#)

**LIHTC
Allocation**



LIHTC Amount for Allocation

The 9% LIHTC amount for Connecticut is **population**-based

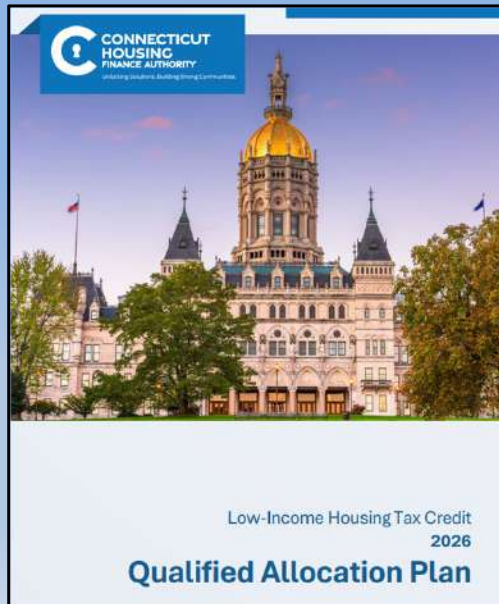


Connecticut allocation is approximately \$10 million annually in 9% LIHTC credits to allocate

Qualified Allocation Plan (QAP)

CHFA must issue a **Qualified Allocation Plan (QAP)** annually

The QAP outlines the policy objectives and **application** process



(QAP) Policy Goals

Policy Goals of the 2026

Low-Income Housing Tax Credit Qualified Allocation Plan

It is the mission of the Connecticut Housing Finance Authority (CHFA or the "Authority") to alleviate the shortage of housing for low- to moderate-income families and persons in the State of Connecticut. CHFA's vision is that all low- and moderate-income residents in the State will have a range of choices where they can live in affordable, safe, quality housing located in environmentally sustainable and economically healthy communities.

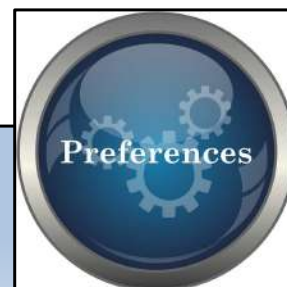
Within this framework, CHFA presents the 2026 Low-Income Housing Tax Credit Qualified Allocation Plan for the State of Connecticut.

CHFA's policy goals remain:

- Rental Affordability
- Financial Efficiency & Sustainability
- Local Impact
- Housing Location and Need

Qualified Allocation Plan (QAP)

- CHFA sets the criteria for determining who receives tax credit allocations
 - Set-asides
 - Threshold Requirements
 - Preferences (Scoring)



Qualified Allocation Plan, cont.

Scoring

- Supportive Housing
- Sustainable design measures
- Providing housing in areas of opportunity
- Developer capacity and experience



Number of LIHTC Program Projects: To use the scale, add the applicable Points for projects in operation more than five years. A maximum of 3 Points are possible in this category:

Projects	Points
≥ 6	3 Points
≥ 4 and < 6	2 Points
≥ 2 and < 4	1 Point

Types of Credits

- 9% Credit (per capita credit) (**70% subsidy**)

70%

- New construction of a building
- Substantial rehabilitation

- 4% Credit (tax exempt bond) (**30% subsidy**)

30%

- New construction with tax-exempt bonds
- Rehabilitation with tax-exempt bonds

Credit can also be earned based on the **acquisition** of an existing building that will be rehabilitated

ELIGIBLE BASIS And APPLICABLE FRACTION



Eligible Basis

- The portion of **total** development costs attributable to the affordable housing aspects of the project
- Eligible Costs: Construction and development costs – e.g., developer and general contractor fees, engineering reports, etc.
- Common areas that are available to all residents at **NO COST** are included in Eligible Basis

Eligible Basis

Ineligible Costs:

Land, permanent financing, equity and syndication costs, costs for **commercial space**, etc.

**Commercial Space
For Lease**

Applicable Fraction

The Applicable Fraction is the percentage of a building that will be occupied by **Tax Credit-Qualified Households**

It is the *lesser* of:

% of units in a building occupied by **qualified** households; OR

% of total rentable floor space in a building that is occupied by **qualified** households

Applicable Fraction

The Applicable Fraction is spelled out in the Extended Low Income Housing Commitment with CHFA.

(b) For each taxable year in the Extended Use Period, the applicable fraction (as defined in Section 42(c)(1)(B) of the Code as the smaller of the "unit fraction" [low income Units/residential rental Units] or the "floor space fraction" [total floor space of low-income Units/total floor space of residential rental Units]), shall not be less than:

126/157 (unit fraction)
Eighty and Twelve One-Hundredths Percent (80.12%) (floor space fraction)

(b) For each taxable year in the Extended Use Period, the applicable fraction (as defined in Section 42(c)(1)(B) of the Code as the smaller of the "unit fraction" [low income Units/residential rental Units] or the "floor space fraction" [total floor space of low-income Units/total floor space of residential rental Units]), shall not be less than:

90/90
One hundred percent (100%)

Allocation Documents



Allocation Documents

- **Reservation Letter**
 - Letter issued by CHFA agreeing to reserve 9% LIHTC's to a development
- **Carryover Allocation Agreement (9% only)**
 - Date that CHFA officially commits a Housing Credit Allocation to the project



Commitment

Allocation Documents

- **The 10% Test**
 - Owners have one year from the Carryover Agreement to demonstrate that 10% of the project cost has been spent or incurred
- **42(m) Letter**
 - Establishes the eligibility for 4% credit when the development meets the requirements of the QAP



10%

Allocation Documents

- **Extended Low Income Housing Commitment (ELIHC)**

- Housing commitment term is **40** years in CT
(15-year compliance period + 25-year extended use period = 40 years)
- Documents the set aside, deep targeting requirements, etc.

(d) The Extended Use Period shall be for an additional twenty-five (25) years after the close

- **Cost Certification**

- Establishes the total final cost of a development upon completion

Allocation Documents

LIHTC Allocation Certification **IRS Form 8609**

- Form used to obtain **allocation** from Housing Credit Agency
- Form 8609 is issued for **each building** and attached to tax return. You cannot claim credits without an 8609

Election examples:

- Multiple Building Project
- Minimum set aside (20/50, 40/60, AIT)
- Begin credit period 1st year after Placed-In-Service Date

QUIZ!

Who issues credits based on population to each State annually?

a. CHFA

b. IRS

c. HUD

Who monitors for compliance in Connecticut?

a. CHFA

b. IRS

c. HUD

Who is ultimately responsible for keeping a project in compliance?

a. CHFA

b. Spectrum

c. Owners

Guidelines for calculating income come from?

a. IRS 8823 Guide

b. HUD Handbook 4350.3

c. Section 42 IRS Code

QUIZ!

CHFA sets the criteria for determining who receives tax credits through the?

a. QAP

b. IRS 8823 Guide

c. IRS Form 8823

The percentage of the building that will be occupied by tax credit qualified households is called?

a. Eligible Basis

b. Applicable Fraction

c. Tax Credits

What document is issued for each building and attached to the owner's tax returns?
You can't claim credits without it.

a. Form 8823

b. Form 8609

c. Form 8623

Compliance Responsibilities



Maintaining the Applicable Fraction

Management Agents are responsible for knowing and maintaining the Actual Applicable Fraction at a level ***equal to or greater than*** the First Year Applicable Fraction for each building

This is essential for maintaining the credit allocation for the owners and investors



Placing in Service

Date that units are legally available for **occupancy**

Determined in two ways:

On new construction or substantial rehab, the date the building is ready for occupancy –

CERTIFICATE OF OCCUPANCY

When the first unit in the building is ready for occupancy.

For acquisition/rehab developments with qualified residents in place, the date is selected by the **owner**, but must occur no later than 24 months after the period of completion of the rehab



Placing in Service

The Placed-In-Service Date is the same for all units within a building

Different buildings on the project can have different Placed-In-Service Dates

The PISD determines what **income** and **rent** limits will be used for the building!

Credit Period

Credit Period begins in the taxable year that the building is placed in service

OR

The owner may elect to defer the first year of the credit period on 10a of the 8609.

10 Check the appropriate box for each election.

Caution: Once made, the following elections are irrevocable.

a Elect to begin credit period the first year after the building is placed in service (section 42(f)(1)) ► ☒ Yes ☐ No

Extends for a full **15-year** period

Compliance Period

The minimum CHFA compliance period is **40** years
(initial 15 years with 25 extended use years)

Compliance Period may begin in the same year as the building
PISD OR year after if owner elects on the 8609s

10 Check the appropriate box for each election.

Caution: Once made, the following elections are irrevocable.

a Elect to begin credit period the first year after the building is placed in service (section 42(f)(1)) ► ☐ Yes ☒ No

Compliance Period

CHFA initiates compliance monitoring upon the **FIRST** Placed-in-Service Date

example: 3 buildings:

Building #1 - PIS on 12/1/2023

Building #2 - PIS on 1/1/2023

Building #3 - PIS on 1/15/2024

(monitoring starts in 2023)



CHFA also monitors for **Post Year-15 compliance** during the extended use period beginning with Year 16

Extended Low Income Housing Commitment

An **owner** must sign a regulatory agreement with CHFA agreeing to continue to operate their project as an affordable property for at least **25 additional years after the end of the 15 year compliance period**

An HFA's compliance requirements may be less restrictive for an LIHTC project once it enters year 16



Qualifications

Qualified Unit:

INCOME ELIGIBLE and RENT RESTRICTED

Rent restricted unit, suitable for occupancy and occupied by a qualified person

Qualified Person: **INCOME ELIGIBLE**

A person whose income is below the applicable set-aside limitation
(i.e., 50%, 60%, AIT.)

Pays no more than the Qualified Rent

Qualified Rent: **RENT RESTRICTED**

The maximum gross rent based on income limits

Minimum Set Aside

- The Federal minimum set aside establishes the minimum number of LIHTC units an owner needs for a project to produce the minimum possible tax credit
- Minimum Set Aside is either **40/60 or 20/50 or Income Averaging**
 - 40/60 Project: At least 40% of units rented to households earning no more than 60% (AMI)
 - 20/50 Project: At least 20% of units rented to households earning no more than 50% (AMI)
 - Average Income Test: At least 40% of units rented to income eligible households and average of set-asides = 60% or less.

Minimum Set Aside

- Once an owner commits to a minimum set aside, it is **irrevocable**

10 Check the appropriate box for each election.
Caution: Once made, the following elections are irrevocable.

a Elect to begin credit period the first year after the building is placed in service (section 42(f)(1)) ☐ Yes ☐ No

b Elect not to treat large partnership as taxpayer (section 42(j)(5)) ☐ Yes

c Elect minimum set-aside requirement (section 42(g)) (see instructions):

☐ 20-50 ☒ 40-60 ☐ Average income ☐ 25-60 (N.Y.C. only)

- An owner must meet the requirements of the minimum set aside by the end of the first year of the credit period.
- Let's take a look at the requirements for the Income Averaging minimum set aside

Income Averaging

- Income averaging established as a new minimum set aside
- LIHTC Qualified Units may serve households earning as much as **80%** of Area Median Income (AMI)
- The average** income limit of all Qualified Units cannot exceed **60%** of AMI
- At least 40% of the units in a development must be Qualified Units.

Income Averaging

Qualified Units may be set at 10% increments
between 20% and 80% of AMI.

(20%, 30%, 40%, 50%, 60%, 70%, 80%)

Rent limits continue to be 30% of the designated income level
(For example, the rent limit on an 80% unit is 30% of 80% of AMI;
the rent limit on a 40% unit is 30% of 40% of AMI)

IRS guidance is evolving. All requirements are subject to change.



Income Averaging

CHFA parameters are outlined in the 2019 LIHTC Guideline
(see CHFA website)

Written policies and procedures for managing unit designations
throughout compliance and extended use period are required.

Unity parity maintained (i.e.: larger units cannot all be targeted to
households at higher AMI bands)



Vacant Unit Rule

**BUILDING
RULE!**

- To maintain the Applicable Fraction, the next available unit of comparable **or** smaller size must be rented to a qualified household when an eligible household moves out
- A vacant tax credit unit continues to be counted towards the actual Applicable Fraction calculation provided that:
 - A qualified household **previously** occupied the unit; and
 - The unit is suitable for **occupancy** and **reasonable attempts** are being made to rent the unit.

VACANCY

Next Available Unit Rule

**BUILDING
RULE!**

- Sometimes called the **140% Rule**
- As a general rule, if a household's income rises to more than 140% of the **current** maximum qualifying income, that unit will remain Tax Credit compliant as long as:
 - The unit continues to be **rent**-restricted; and
 - The Next Available Unit (NAU) (comparable or smaller) in the building is **rented** to a Housing-Credit-eligible household



Student Rule & Exceptions

Households comprised entirely and exclusively of fulltime students are not Housing Credit eligible

Unless the household is income eligible and one or more of the following exceptions applies to the household:



Student Rule & Exceptions, cont.

1. All members of the household are married and are entitled to file a joint tax return;
2. The household consists of single parent(s) and their dependent child;
3. At least one member of the household receives assistance under Title IV of the Social Security Act (i.e. TANF);
4. At least one member of the household is participating in an officially sanctioned job training program such as those funded under the Workforce Investment Act (WIA);
5. Permits occupancy of LIHTC units by children who received foster care assistance

Income Limits & Fees

Income limits

HUD releases income limits annually
Available on Spectrum and CHFA websites

Fees

As a general rule, any **cost** the resident must incur which exceeds the maximum rent is prohibited

Title	File Size	File Type	Link
2025 Income & Rent Limits	1 MB	pdf	Download
2024 Income & Rent Limits	669 KB	pdf	Download
2023 Income & Rent Limits	488 KB	pdf	Download
2022 Income & Rent Limits	867 KB	pdf	Download
2021 Income & Rent Limits	519 KB	pdf	Download
2020 Income & Rent Limits	872 KB	pdf	Download
2019 Income & Rent Limits	528 KB	pdf	Download

Income and Rent Limits

**FY2025 limits were released on 4/1/2025.
They must be implemented by 5/15/2025.**

NOTE: For FY2025, HUD has implemented geographic area definition changes as determined by the Office of Management and Budget. Users should note that the constituent counties or town of metropolitan areas may have changed.

Locate city/town name and Placed in Service date of the building to find the correct limits.



NEW

Income and Rent Limits

BRIDGEPORT-STAMFORD-DANBURY								
For use by developments Placed in Service on or before 12/31/2008 (FY2025 HERA Special)								
INCOME LIMITS	1 person	2 person	3 person	4 person	5 person	6 person	7 person	8 person
20% of Median	20860	23840	26820	29780	32780	35660	38940	39320
25% of Median	26075	29800	33225	37225	40225	43100	46175	49150
30% of Median	31290	35760	40230	44670	48270	51840	55410	58980
40% of Median	41720	47680	53040	58900	64300	69120	73880	78040
50% of Median	52150	59600	67050	74450	80450	86400	92350	98300
60% of Median	62580	71520	80460	89340	96540	103680	110620	117960
70% of Median	73010	83440	93870	104230	112630	120960	129290	137620
80% of Median	83440	95360	107280	119120	128720	138240	147760	157280

BRIDGEPORT-STAMFORD-DANBURY					
For use by developments Placed in Service from 1/1/2009 to Present (FY2025)					
INCOME LIMITS	1 person	2 person	3 person	4 person	5 person
20% of Median	17900	20460	23020	25580	27620
25% of Median	22375	25575	28775	31975	34525
30% of Median	26850	30690	34530	38370	41430
40% of Median	35800	40920	46040	51160	55240
50% of Median	44750	51150	57550	63950	69050
60% of Median	53700	61380	69060	76740	82860
70% of Median	62650	71010	79670	88330	96070
80% of Median	71600	81040	90680	100320	108480

Bridgeport, Easton,
Fairfield, Monroe,
Stratford, Trumbull

BRIDGEPORT-STAMFORD-DANBURY					
For use by developments Placed in Service from 1/1/2009 to Present (FY2025)					
RENT LIMITS	Studio	1 bedroom	2 bedroom	3 bedroom	4 bedroom
20% of Median	521	558	620	774	864
25% of Median	651	698	858	968	1080
30% of Median	782	888	1005	1161	1296
40% of Median	1043	1117	1341	1549	1728
50% of Median	1303	1396	1676	1936	2160
60% of Median	1564	1676	2011	2323	2592
70% of Median	1825	1955	2346	2730	3024
80% of Median	2086	2235	2682	3098	3456

Bridgeport, Easton,
Fairfield, Monroe,
Stratford, Trumbull

There are **10** Bridgeport-Stamford-Danbury income/rent limit charts.

You will need to locate your **TOWN** and know your buildings **PSID**.

Annual Certification

- All households must **certify** their household income on an **annual** basis. The effective date of the initial certification is the date the tenant occupies the unit
- Annual recertification is based on the anniversary of the effective date of the TIC and must be completed within **120 days** before the effective date for each year of the compliance period



Recertification Waiver

- For developments that are **100% LIHTC**, the owner/ Management Agent may request a Recertification Waiver
 - Requires initial and first anniversary recertification
 - Self Certification form will be used in place of annual recertification
 - Waiver is subject to **CHFA** approval

IMPORTANT:

The recertification waiver is not available to developments that are utilizing Income Averaging for the minimum set aside.

Report of Non-Compliance or Building Disposition

IRS Form 8823

- State agencies use Form **8823** to notify the IRS of non-compliance
- Spectrum issues an Initial Owners Report, the owner has 30 days to respond to all issues reported
- Once the owner has responded Spectrum issues a Summary Report to the owner. This report will state if the issues of non-compliance have been corrected or not.
- Attached to the summary report would be 8823s. 8823 form filed with IRS (even if non-compliance corrected)

Report of Non-Compliance or Building Disposition, cont.

- Not all non-compliance is cited on an 8823

Example 1:

If one smoke detector needed a battery, that would not be cited on an 8823.

However, if the entire buildings emergency lights failed, we would cite this issue on an 8823.

Example 2:

If a tenant forgot to date an application, we would not cite that on an 8823.

If the tenant did not disclose income and they were above the income limit at move-in, we would cite this on an 8823.

Report of Non-Compliance or Building Disposition, cont.

- If non-compliance is not corrected and reported on an 8823. The owner has up to **3 years** to correct that outstanding non-compliance. Attached to this report would be a corrected 8823s.



Cost of Non-Compliance

Based on the inspection report, the IRS determines the consequences of non-compliance.

- If there is non-compliance with initial households' income-eligibility, it affects the applicable fraction on which the credits were awarded. This impacts the amount of credits the investor receives for the entire ten-year period
- If a subsequent household is found to be ineligible, this would impact only those tax credit claims for the period during which they were out of compliance
- Persistent non-compliance can result in the recapture of all tax credit claims. During the extended use period, each state allocating agency continues to monitor compliance

Keeping Track of Files

- First Year Files
 - Verify that project qualified for credits in the first year of the Credit Period
 - Maintain in safe place
 - Make duplicate copies
 - Keep for **21** years



Supportive Housing Units

Many projects have committed to providing supportive housing units.

(Obtain a copy of your property's supportive services plan)

CHFA/Spectrum will inquire:

Who is your service provider contact person?

How many supportive housing units are you required to have?

What services are provided?

Supportive Housing Units

Referrals for supportive housing unit MUST come from the regional Coordinated Access Network (CANs) – Your supportive service provider can assist with getting those referrals.

Utilize your supportive service provider when issues related to maintaining tenancy arise.



Supportive Housing Units

DHMAS monitors the supporting housing providers and will report noncompliance to CHFA.

(NEW: SPECTRUM will also begin monitoring)

CHFA will additionally verify that supportive housing units are provided as committed by the Owner.

CHFA will contact the Owner to rectify any noncompliance.

QUESTIONS about CANs, contact DOH:

- Leigh Shields-Church, LCSW – leigh.shields-church@ct.gov
- Kara Capobianco, LCSW – kara.Capobianco@ct.gov

Disclaimer

- As stated in the Regulations, Section 1.42-5(g) liability. Compliance with requirements of Section 42 is the responsibility of the Owner of the building for which Credit is allowable. The Agency's obligation to monitor for compliance with the requirements of Section 42 does not make the Agency liable for an Owner's non-compliance
- CHFA recommends Owners and Management Agents consult with their legal and tax professionals, investors and syndicators



QUIZ!

This date determines what income and rent limits will be used for the building?

a. Allocation date

b. Placed In Service Date

c. Application Date

The initial credit period is for how many years?

a. 15 years

b. 21 years

c. 40 years

The Extended Low-Income Commitment in CT is for how many additional years?

a. 15 years

b. 25 years

c. 40 years

The minimum number of LIHTC units in a building to generate tax credits is called the what?

a. Qualified Basis

b. Applicable Fraction

c. Minimum Set-Aside

HOW TO PREPARE FOR A STATE AUDIT



AREAS OF DISCUSSION



END OF YEAR SUBMISSIONS



SITE VISITS



SPECTRUM REPORTS

END OF YEAR SUBMISSION

DUE APRIL 1st ANNUALLY

APRIL 2026						
SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
			1 DUE	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

APRIL 1st – 4 ITEMS DUE

ELECTRONIC DATABASE



UTILITY ALLOWANCE



OWNER CERTIFICATION OF CONTINUING PROGRAM COMPLIANCE



PROOF OF CONTINUING EDUCATION



ELECTRONIC DATABASE



DOWNLOADED FROM SPECTRUM WEBSITE

Connecticut



Quick Info

Compliance Manual

Connecticut 10
Compliance MB
Manual

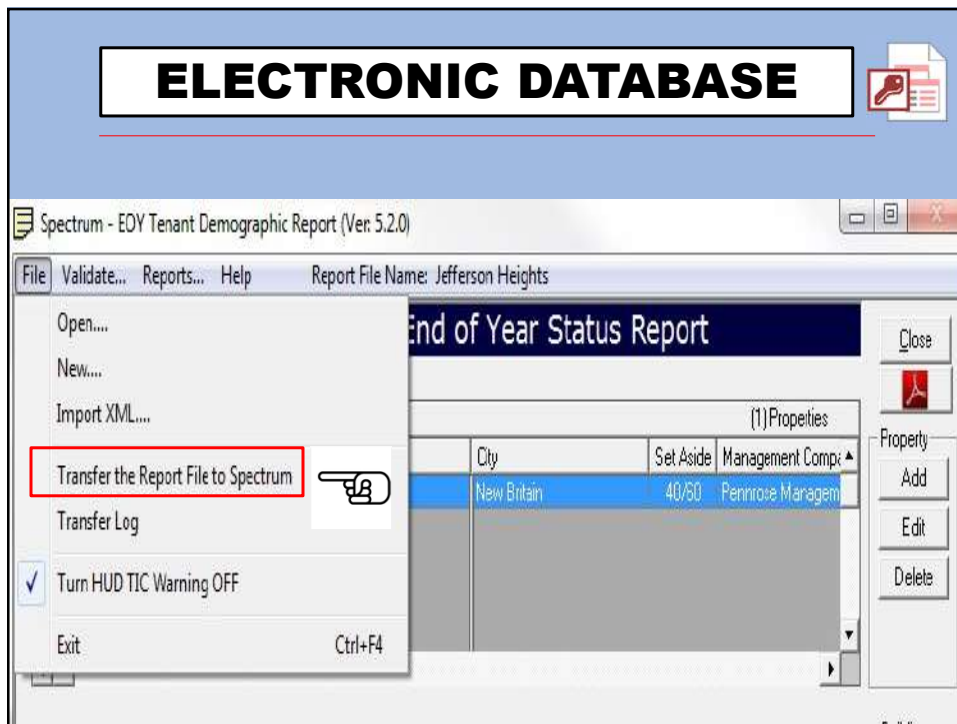
End of Year Software

Status Report Software Instructions	25 KB	PDF
Spectrum Status Report Software	27 MB	ZIP

Submission Deadline

All end of year materials due annually on April 1st.

Submit Files



ELECTRONIC DATABASE

One database for the life of the property!

Update household composition, annual income and rent every year.

Update owner and management contact information.

ELECTRONIC DATABASE



EOY HELP!

PAUL PERPICH

EOYhelp@spectrumlihtc.com

517-277-0120



OWNER'S CERTIFICATION



VII. Category 11d – Owner Failed to Provide Annual Certification or Provided Incomplete or Inaccurate Certifications

A. Definition

- (2) Owners are responsible for reporting to the state agency annually that their projects were in compliance with IRC §42 for the preceding 12-month period. They must report in the form and manner the state agency specifies and must certify, under the penalty of perjury, that the information provided is true, accurate, and in compliance with the requirements of IRC §42. The owner must certify that:

**Information is reported through the
Owner's Certification of Continuing LIHTC
Program Compliance.**

OWNER'S CERTIFICATION



COPY FOUND: www.spectrumlihtc.com

End of Year Reporting

Title	File Size	File Type	Link
2024 CT Owner Letter	159 KB	pdf	Download
Owner Certification of Continuing Program Compliance	3 MB	pdf	Download
PY15 Owner Certification of Continuing Program Compliance	286 KB	pdf	Download
Status Report Software Instructions	25 KB	pdf	Download
Spectrum Status Report Software	27 MB	zip	Download

OWNER'S CERTIFICATION



18 QUESTIONS

MSA

VAWA

QAP

CHANGE IN OWNERSHIP

CHANGE IN MANAGEMENT

OWNER'S CERTIFICATE OF CONTINUING LIHTC PROGRAM COMPLIANCE

To: Connecticut Housing Finance Authority
C/O Spectrum Enterprises, Inc.
75 John Roberts Road Ste 2C
South Portland, ME 04106

Received Date (For Office Use Only):

- ☐ No buildings have been placed in Service.
☐ At least one building has been placed in Service that owner expects to begin credit period in the following year.
 If either of the above applies, please check the appropriate box, and proceed to page 3 to sign and date this form.


Certification Dates:	From: January 1, 20	To: December 31, 20
Project Name:	Project No.:	
Project Address:	City:	Zip:
Tax ID # of Ownership Entity:		
Owner:	Owner Email:	
Management Contact:	Management Email:	

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

Connecticut Housing Finance Authority ("the Authority") that:

- The project met 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
 - ☐ Average Income test under Section 42(g)(1)(C) of the Code (complete attached IA Tracking Sheet)
- There has been **no change in the applicable fraction** (as defined in Section 42(c)(1)(B)) of any building in the project, or that there was a change and description of this change:
 - ☐ NO CHANGE ☐ CHANGE
 - If "Change" list the applicable fraction to be reported to the IRS for each building in the project for the certification year on page 4.
- The owner has received an annual income certification from each low-income tenant, and documentation to support that certification; or, in the case of a tenant receiving Section 8 housing assistance payments, the statement from a public housing authority described in paragraph (b)(1)(vi) of Section 1.42-5.
 - ☐ YES ☐ NO
- Each low-income unit in the project has been rent-restricted under Section 42(g)(2).
 - ☐ YES ☐ NO
- All units in the project were for use by the general public (as defined in Section 1.42-5), including the requirement that no finding of discrimination under the Fair Housing Act, 42 U.S.C. 3601-3619, occurred for the project. A finding of discrimination includes an adverse final decision by the Secretary of the Department 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. 3616(a)(1), or an adverse judgment from a federal court.
 - ☐ YES ☐ NO

OWNER'S CERTIFICATION	
New Property or Property Coming Online?	
<small>Received Date (For Office Use Only):</small>	
OWNER'S CERTIFICATE OF CONTINUING LIHTC PROGRAM COMPLIANCE To: Connecticut Housing Finance Authority C/O Spectrum Enterprises, Inc. 75 John Roberts Road Ste 2C South Portland, ME 04106	<div style="border: 1px solid black; padding: 5px;"> <input type="checkbox"/> No buildings have been Placed in Service <input type="checkbox"/> At least one building has been placed in Service but owner elects to begin credit period in the following year. <small>If either of the above applies, please check the appropriate box, and proceed to page 3 to sign and date this form.</small> </div>
<p>Select the appropriate box at the top of page 1.</p> <p>This will let us know your property exist.</p>	

UTILITY ALLOWANCE
<p>An allowance for the cost of any utilities (other than phone, cable or internet) paid directly by the tenant is included in the computation of gross rent.</p>


UTILITY ALLOWANCE



The utility allowance is computed on a building-by-building basis. The maximum rent that may be paid by the tenant must be reduced by the utility allowance.



UTILITY ALLOWANCE



Methods found in the IRS 8823 Guide.

Allowance submitted must show:

Where it was obtained

It was reviewed in the last 12 months

Put into effect no later than 90 days



CONTINUING EDUCATION



The person responsible for the tax credit management of the property has attended **LIHTC training** within the last **3** years.



EOY SUBMISSIONS

HOW TO SUBMIT ON **APRIL 1st.**

OWNER CERT
UTILITY ALLOWANCE
CONTINUING EDUCATION

WWW.SpectrumEndOfYear@gmail.com



DATABASE: TRANSFERRED THRU SOFTWARE

QUIZ!

How often is Continuing Education required by CHFA?

a. Annually

b. Every 2 years

c. Every 3 years

How often must the utility allowance be updated?

a. Annually

b. Every 2 years

c. Every 3 years

An electronic database should be recreated every year.

a. True

b. False

Changes in ownership or management must be reported on the Certification of Continuing Program Compliance (Page 4)?

a. True

b. False

SITE VISITS

Visit Every 3 years

Audits are USUALLY conducted in:
April , June, September, and October
(subject to change)



SITE VISITS

**Scheduled at least
15 days in advance.**

**You will receive a
confirmation once it
has been scheduled.**

**Lesser of 20% of
LIHTC files or HUD
Sample Chart**



#Units	Sample	#Units	Sample
1	1	30-34	15
2	2	35 -40	16
3	3	41 - 47	17
4	4	48 - 56	18
5-6	5	57 -67	19
7	6	68 - 81	20
8-9	7	82 - 101	21
10-11	8	102 -130	22
12-13	9	131 -175	23
14-16	10	176 - 257	24
17-18	11	258 -449	25
19-21	12	450 -1461	26
22-25	13	>1461	27
26-29	14		

Example

50 LIHTC UNITS

20% = 10 units

Chart = 18.

**We would choose the
lesser of the two.**

10 it is!!

SITE VISITS

Inform ALL LIHTC residents of the upcoming site inspection.



SITE VISITS



Have a staff person ready to meet Spectrum upon arrival.

If parking is assigned, be sure to let us know.

SITE VISITS

REQUIRED DOCUMENTS FOR REVIEW:

Rent Roll

Form 8609

Most important Doc!

Utility Allowance

**Extended Low-income
Housing Commitment**



SITE VISITS

Files will be reviewed for:

**State LIHTC forms and
lease addendums.**

**Income and assets
verifications .**

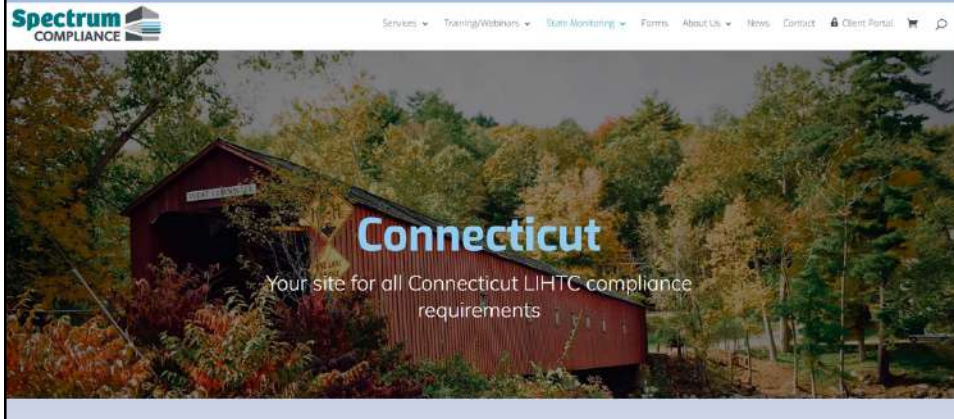
**Income calculations
(i.e. base pay, Year To
Date, pay stub avg. etc.)**



SITE VISITS

FILE SUBMISSION

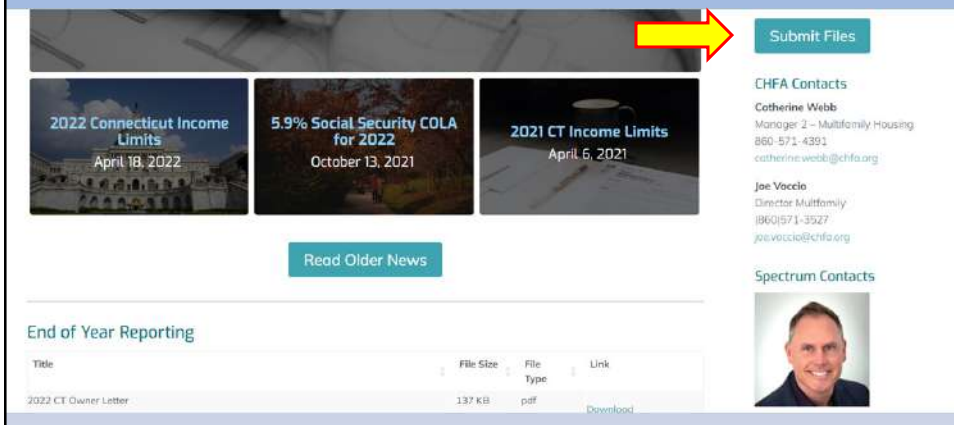
Files may be reviewed remotely and will be uploaded to our secure portal.



SITE VISITS

FILE SUBMISSION

Files may be reviewed remotely and will be uploaded to our secure portal.



SITE VISITS

FILE SUBMISSION

File Submission

Our secure portal allows you to upload documents via ShareFile. Just complete the information on the right and attach the files you need to send.

Step 1
Enter your contact and property information. All fields must be completed.

Step 2
Drag and drop the zipped folder you want to securely upload.

Step 3
That's it. You're ready to send your files securely.

If you have any issues or would like to confirm receipt, you can contact us [here](#).

Email

First Name


Last Name

Company

Property Name

State (property)

Spectrum Analyst



Drag files here

[Browse Files](#)

TIPS TO AVOID FINDINGS

Obtain as much information as possible.

All income data should be consistent. If not, investigate further.

Keep files organized.



PHYSICAL INSPECTION

A staff member must accompany our inspector.

Inspection certificates must be available.



NEW

PHYSICAL INSPECTION

**National Standards For The
Physical Inspection of Real
Estate (NSPIRE)**



UPCS – Uniform Physical Condition Standards have sunset!



PHYSICAL INSPECTION

National Standards For The Physical Inspection of Real Estate (NSPIRE)

Concept is that there is a greater focus on the resident's home (unit)



PHYSICAL INSPECTION

National Standards For The Physical Inspection of Real Estate (NSPIRE)

SMOKE DETECTORS

1. Smoke detectors in all bedrooms
2. Smoke detectors on all levels
3. Hardwired or tamper proof battery type (starting 12/29/2024)



PHYSICAL INSPECTION

National Standards For The Physical Inspection of
Real Estate (NSPIRE)

1. Emergency Lights – **24-Hour** Fix



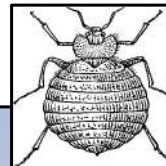
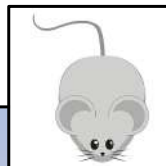
2. Exit signs – **24-Hour** Fix



PHYSICAL INSPECTION

National Standards For The Physical Inspection of
Real Estate (NSPIRE)

INFESTATIONS – Roach, Mice, Bed Bugs



30-Day Correction Period

24-Hour Correction Period if
evidence in 2+ Rooms

PHYSICAL INSPECTION

National Standards For The Physical Inspection of
Real Estate (NSPIRE)

CALL FOR AID

24-Hour Correction Period
if any component is not
working, system is blocked, or
string is missing or not
within 6" of floor



PHYSICAL INSPECTION

National Standards For The Physical Inspection of
Real Estate (NSPIRE)

Trash Chutes

30-Day
Correction Period



PHYSICAL INSPECTION

National Standards For The Physical Inspection of
Real Estate (NSPIRE)

Trip Hazard



30-Day
Correction Period

PHYSICAL INSPECTION

**Noncompliance can
result from the
physical inspections:**

**This includes both
major and minor
inspection items.**

**Common area issues
can put ALL LIHTC
units in the building
in noncompliance.**

**KEEP AN EYE OUT FOR
TRIPPING HAZARDS**



TIPS TO AVOID NONCOMPLIANCE



Do your own inspections on a regular basis.

Bring a notepad to record repair items.

Bring batteries, screwdriver, step ladder, etc., with you during the inspection.

EXIT INTERVIEW

You will know all file issues and physical inspection items that will need to be addressed before we leave your property/office.



THINGS TO KNOW

One violation can put an entire building out of compliance.

NSPIRE and local building codes apply.

Major life and health safety violations must be corrected in 24 hours.



SPECTRUM REPORTS



SPECTRUM REPORTS

Describes issues of noncompliance.

**Recommend changes to
forms or procedures.**

It may provide copies of form 8823



SPECTRUM REPORTS

1st Report: Owner's Report

**It will report any findings of
noncompliance**

5 sections to this report

Requires a 30-DAY response.



The first 3 sections of the report cover the EOY submission

1. **Owner's Certifications:** The Owner's Certifications of Continuing Project Compliance received for 2020, 2021, and 2022 were reviewed. The results of that review are as follows:

Missing, incomplete, or inaccurate Owner's Certification issues are listed here.
2. **Original Qualifying Basis and Minimum Set-Aside:** As determined by reviewing the first year Status Report database or previously submitted QBTS. The results of that review are as follows:

Any issues with regards to the MSA or Applicable Fraction is listed here. We may request your 8069s and ELIHC here if it is the properties first audit.
3. **Status Reports:** The SPECTRUM Status Report database received was reviewed for compliance in 2020, 2021 and 2022 using County MSA income limits. The results of that review are as follows:

Issues with the database are listed here. Spectrum will review the database for gross rent violations, extended vacancies, 140% Rule, applicable fraction, increases of income at the first annual recertification and more!

- On-site Audit**
4. **Physical Inspection:** The physical inspection was conducted on XXX. Number (X) buildings (BIN(s) CT-XXXXX-XX), all common areas, and the designated number of LIHTC units were inspected. All CHFA Inspection Standards and Guidelines were adhered to with the following repairs noted/required:

Violations of the UPCS or local inspection standards.

Please refer to the attached inspection table for more details. Any item marked as **"ACTION REQUIRED"** needs additional follow up to clear the issue. Provide clarification along with supporting work orders to clear the noncompliance.
 5. **Tenant/Administrative File Review:** The file review was conducted on x/xx/sxxx. The designated number of the LIHTC files were selected for review. Leases, move-in verifications, certifications, and rents were reviewed. The results of that review are as follows:

FILE ISS

Please refer to the attached audit table for more details. Any item marked as **"COMPLIANCE ISSUE"** needs additional follow up to clear the issue. Provide clarification along with supporting documentation to clear the noncompliance.

FINDINGS:

There is a **30-day correction period** from the date of this letter. If no response to the issues raised in this report is received by XXXXXX, the following findings will be reported:

Owner failed to provide annual certifications or provided incomplete or inaccurate certification. Refer to section 1.

Inspection Table

Property: [REDACTED]
 Inspection Date: 10/02/2023
 Type: State Monitoring

The physical inspection was conducted on all common areas and the required number of affordable units.
 All Inspection Standards and Guidelines were adhered to with the following repairs noted/required:

FINDINGS

System	Area	Location	Violation	Notes
Road(# 1)				
Unit				
42	Bathroom 1	Ventilation/Exhaust System	Inoperable: Exhaust fan is not functioning. (L3) 24-hour response required.	Confirmation of repair provided with work order. Issue cleared.
42	Basement	Smoke Detector	Smoke & CO Detectors: Missing or does not function as expected. (L3-LT) 24-hour response required.	Confirmation of repair provided with work order. Issue cleared.
42	Bathroom 1	Outlets/Switches/Cover Plates	GFI: GFI does not function. (L3) 24-hour response required.	Confirmation of repair provided with work order. Issue cleared.
(# 2)				
Common Areas				
	Halls/Corridors/Stairs	Health and Safety	Exit sign: One sign is missing, damaged, or not illuminating as designed. (L3) 24-hour response required.	Confirmation of repair provided with work order. Issue cleared.
Unit				
2	No Issues Found	No Issues Found	No issues found	
(# 3)				
Unit				
7	Kitchen	Range Hoods/Exhaust Fans	Inoperable: Exhaust fan does not function or flue may be completely blocked. (L3) 24-hour response required.	Confirmation of repair provided with work order. Issue cleared.
7	Bathroom	Ceiling	Mold/Mildew: 1 to 4 Sq Ft (L1)	ACTION REQUIRED: Provide confirmation of repair with work order.
(# 4)				
Unit				

Page: 1

BIN #	Unit	# Bed	R	Move-in Lease Date	Certification Date	Tenant Name	# Held	Cert Income	W/Sheet Income	Rent	U/A	Gross Rent	Elig yna?	Comp yn?	Comments
	054-39	2		12/5/2019	12/5/2019	Lopez	5	\$38,883.00	\$38,883.00	\$615.00	\$91.00	\$705.00	Yes	Yes	PROCEDURAL ISSUE: White out used on Under 5K Asset Certification. White out cannot be used on LIHTC documents. Adjust procedures.
	054-42	2		12/5/2019	12/5/2019	Ramos	3	\$9,400.08	\$9,400.08	\$120.00	\$91.00	\$211.00	Yes	Yes	No issues.
	054-47	3	R	3/16/2018	3/1/2020	Rodriguez	5	\$12,560.00	\$12,560.00	\$0.00	\$142.00	\$142.00	Yes	Yes	PROCEDURAL ISSUE: Both adults stated father provides clothing, laundry and toiletries. This is income. Have tenant provide you the monthly amount spent on these items and add income to TIC. Eligibility not affected. Adjust procedures.
	064-30	2	R	10/6/2017	10/1/2018	Simpson	2	\$24,198.62	\$24,198.62	\$735.00	\$96.00	\$831.00	A	No	COMPLIANCE ISSUE: Provide 10/1/2019 cert when complete.
	064-32	2	R	6/30/2017	6/1/2019	Rosario	3	\$17,952.00	\$17,952.00	\$135.00	\$91.00	\$225.00	Yes	No	PROCEDURAL ISSUE: TIC signed late on 9/13/2019.

SPECTRUM REPORTS

30 Day - Owner's Response

The owner's response is pivotal for clearing issues.

Responses should be well organized and provide supporting documentation.

All issues reported in the compliance reports should be addressed. Ignoring information can lead to an 8823!



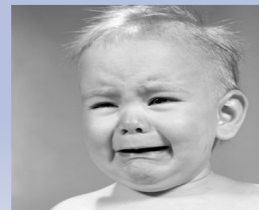
SPECTRUM REPORTS

2nd Report: Summary Report

The summary report will list finding of **noncompliance**.

If necessary, **Form 8823** will be generated and attached to the summary report.

NO
8823!
YEAH



8823!
S#!%

5	Total credit allocated to this BIN	\$	3,313,336.00
6	If this building is part of a multiple building project, enter the number of buildings in the project		1
7 a	Total number of residential units in this building		200
b	Total number of low-income units in this building		200
c	Total number of residential units in this building determined to have noncompliance issues		6
d	Total number of units reviewed by agency (see instructions)		200
8	Date building ceased to comply with the low-income housing credit provisions (see instructions) (MMDDYYYY)		07152022
9	Date noncompliance corrected (if applicable) (see instructions) (MMDDYYYY)		
10	Check this box if you are filing only to show correction of a previously reported noncompliance problem		<input type="checkbox"/>
11	Check the box(es) that apply:	Out of compliance	Noncompliance corrected
a	Household income above income limit upon initial occupancy	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b	Owner failed to correctly complete or document tenant's annual income recertification	<input type="checkbox"/>	<input type="checkbox"/>
c	Violation(s) of the UPICS or local inspection standards (see instructions) (attach explanation)	<input type="checkbox"/>	<input type="checkbox"/>
d	Owner failed to provide annual certifications or provided incomplete or inaccurate certifications	<input type="checkbox"/>	<input type="checkbox"/>
e	Changes in Eligible Basis or the Applicable Percentage (see instructions)	<input type="checkbox"/>	<input type="checkbox"/>
f	Project failed to meet minimum set-aside requirement (20/50, 40/60 test) (see instructions)	<input type="checkbox"/>	<input type="checkbox"/>
g	Gross rent(s) exceed tax credit limits	<input type="checkbox"/>	<input type="checkbox"/>
h	Project not available to the general public (see instructions) (attach explanation)	<input type="checkbox"/>	<input type="checkbox"/>
i	Violation(s) of the Available Unit Rule under section 42(g)(2)(D)(ii)	<input type="checkbox"/>	<input type="checkbox"/>
j	Violation(s) of the Vacant Unit Rule under Reg. 1.42-5(c)(1)(ix)	<input type="checkbox"/>	<input type="checkbox"/>
k	Owner failed to execute and record extended-use agreement within time prescribed by section 42(h)(6)(J)	<input type="checkbox"/>	<input type="checkbox"/>
l	Low-income units occupied by nonqualified full-time students	<input type="checkbox"/>	<input type="checkbox"/>
m	Owner did not properly calculate utility allowance	<input type="checkbox"/>	<input type="checkbox"/>
n	Owner has failed to respond to agency requests for monitoring reviews	<input type="checkbox"/>	<input type="checkbox"/>
o	Low-income units used on a transient basis (attach explanation)	<input type="checkbox"/>	<input type="checkbox"/>
p	Building is no longer in compliance nor participating in the section 42 program (attach explanation)	<input type="checkbox"/>	<input type="checkbox"/>
q	Other noncompliance issues (attach explanation)	<input type="checkbox"/>	<input type="checkbox"/>
12	Additional information for any item above. Attach explanation and check box		<input checked="" type="checkbox"/>
13 a	Building disposition by <input type="checkbox"/> Sale <input type="checkbox"/> Foreclosure <input type="checkbox"/> Destruction <input type="checkbox"/> Other (attach explanation)		
b	Date of disposition (MMDDYYYY)		
c	New owner's name		
d	New owner's taxpayer identification number		

8823 Attachment

Household income above income limit upon initial occupancy.

Unit: 1710, [REDACTED]

Income was \$26,196 greater at the first annual certification. At the move in event on 8/1/2022 this 1 person household had an annual income of \$49,707. At the first annual certification on 8/1/2023 this 1 person household had an annual income of \$75,903. The limit was \$54,900. The response confirmed that the tenant began an additional job in April of 2022 and did not disclose the information at move-in. Once disclosed at the annual recertification, management failed to clarify when the job began. A revised move-in certification was provided indicate that move-in income was \$68,154.84. To date, management has not taken any legal action. Noncompliance will be corrected once a new qualified household moves into the unit.

QUIZ!

How often do LIHTC properties get audited?

a. Annually

b. Every 2 years

c. Every 3 years

How many days does an owner have to respond to the initial report?

a. 30 days

b. 45 days

c. 90 days

What form is used to report noncompliance to the IRS from CHFA?

a. Form 8609

b. Form 8823

b. Form 4350

Owners/Managers have how long to correct a life/safety deficiency after a physical inspection?

a. 12 hours

b. 24 hours

b. 48 hours

POST YEAR 15 COMPLIANCE



COMPLIANCE

POLICY PURPOSE

**To ensure compliance with the
[Extended Low-Income Housing Commitment \(ELIHC\).](#)**



**Waiving of certain requirements during the
Extended Use Period.**

POLICY

www.Spectrumlihtc.com

www.CHFA.org



EXTENDED USE PERIOD

Federal law requires a minimum of an additional 15 years of compliance

CHFA requires an additional 25 year!



EXTENDED USE PERIOD

CHFA is solely responsible for enforcing ELIHC policy.

There is no IRS compliance monitoring During the Extended Use Period.



EXTENDED USE PERIOD

**CHFA has the authority to establish
Different compliance criteria during the
Extended Use Period.**



EXTENDED USE PERIOD

**The following is a comparison of CHFA
Pre and Post Year-15 compliance
Requirements:**



EXTENDED USE PERIOD

INCOME AND RENT RESTRICTIONS

NO CHANGE

Households must be qualified in accordance with current income limits.

Households may not pay more than the qualified rent.



EXTENDED USE PERIOD

INITIAL ELIGIBILITY AND CERTIFICATION

NO CHANGE

The Tenant Income Certification Form (TIC) must be completed at initial move-in.



EXTENDED USE PERIOD

ANNUAL RECERTIFICATION OF HOUSEHOLDS

CHANGE

Certification and an anniversary recertification be completed. Thereafter, the owner may self-certify tenants for ALL properties (including mixed used) except Assisted Living.

NOTE: CHFA will require that the owners provide a household student status form along with every self-certification.



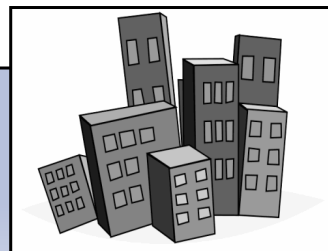
EXTENDED USE PERIOD

BUILDING RULE

CHANGE

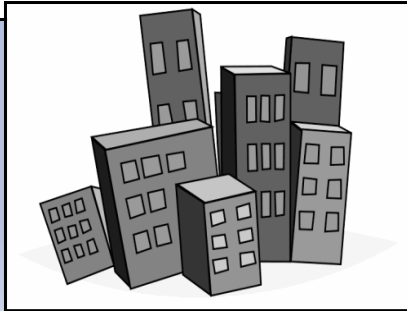
CHFA will conduct compliance monitoring on a project-wide basis.

NOTE: MSA may now be met project wide instead of on a building by building basis.



EXTENDED USE PERIOD**APPLICABLE FRACTION****CHANGE**

The applicable fraction will only be determined by the unit fraction. NOT the square footage.

**EXTENDED USE PERIOD****STUDENT RULE****CHANGE**

Units may be occupied by households consisting entirely of income eligible full-time students.

NOTE: Tenant cannot be a dependent of someone outside the household.



EXTENDED USE PERIOD

UNIT TRANSFERS

CHANGE

Unit transfers between buildings will be permitted without recertification of eligibility, regardless of income.



EXTENDED USE PERIOD

NEXT AVAILABLE UNIT RULE (140% RULE)

CHANGE

CHFA has eliminated the Next Available Unit Rule.



EXTENDED USE PERIOD**VACANT UNIT RULE****NO CHANGE**

The owner must make reasonable attempts to rent all vacant LIHTC units.

**EXTENDED USE PERIOD****DEEP INCOME TARGETING****NO CHANGE**

Points were provided during allocation for deep targeting income.

Therefore, this requirement remains the same.



EXTENDED USE PERIOD**UTILITY ALLOWANCE****NO CHANGE**

**Utility allowances
must be updated
annually.**

**EXTENDED USE PERIOD****ANNUAL STATUS REPORT (EOY MATERIAL)****NO CHANGE**

**A status report is
still required to
be transmitted to
Spectrum by
April 1st.**



EXTENDED USE PERIOD

OWNER'S CERTIFICATE OF CONTINUING LIHTC PROGRAM COMPLIANCE

CHANGE

**CHFA will require
the submission of
a modified
Owner's
Certificate on
April 1st.**



EXTENDED USE PERIOD

UNIT AND FILE INSPECTIONS

CHANGE

**CHFA will
require an
audit every
5 years.**



EXTENDED USE PERIOD**IRS FORM 8823****CHANGE**

**CHFA will continue
to use Form 8823
to report
noncompliance.**


**However, CHFA will
not submit this
form to the IRS.**

EXTENDED USE PERIOD**TRANSFER OF OWNERSHIP/MANAGEMENT****NO CHANGE**

**CHFA must
be advised
of and
approve all
changes.**

EXTENDED USE PERIOD

MONITORING FEES



NO CHANGE

Fees are due
annually on
April 1st.

QUIZ!

Who is solely responsible for enforcing compliance during the extended use period?

a. IRS
b. CHFA
c. Owner

How often does an audit occur during the extended use period ?

a. Annually
b. Every 3 years
c. Every 5 years

Does end of year reporting need to be submitted during the extended use period on April 1st?

a. Yes
b. No

Do you need CHFA permission to use the Self-Certification during the extended use period?

a. Yes
b. No, you may implement the 3rd year

VAWA

Violence Against Women Act

CHFA provides a written overview of the 2013 Reauthorization of the Violence Against Women Act.

The overview can be found our the CHFA and Spectrum Websites.



VAWA

Violence Against Women Act

VAWA is gender neutral and protects all persons covered by VAWA in any HUD protected class regardless of gender, gender identity, sexual orientation, marital status or age.



VAWA Violence Against Women Act

**The 2013 Reauthorization Act indicates the
LIHTC program is subject to VAWA
requirements.**

**CHFA is now monitoring for those
requirements.**



VAWA Violence Against Women Act

**Information can be obtained through HUD
forms:**

5380, 5381, 5382, 5383

**All available at
www.HUD.gov**



VAWA **Violence Against Women Act**

FORM 5380

NOTICE OF OCCUPANCY RIGHTS

REQUIRED FORM

**Modified to include
info on housing
provider.**



VAWA **Violence Against Women Act**

FORM 5380

Who is protected

**How they are
protected**

**How tenants eligible
for VAWA may be
evicted.**



VAWA Violence Against Women Act

FORM 5381

MODEL EMERGENCY TRANSFER PLAN

**Who is eligible for an
emergency transfer**

**How to request a
transfer**



VAWA Violence Against Women Act

FORM 5382

CERTIFICATION FORM

REQUIRED FORM

**To be used by those
seeking protection
from the housing
provider.**



VAWA Violence Against Women Act

FORM 5383

VAWA EMERGENCY TRANSFER REQUEST

**Not required to use
this form. Owners
may use the HUD
form or create
their own.**



REQUIRED STATE FORMS



REQUIRED STATE FORMS

In order to establish LIHTC eligibility in CT, you must use the forms included in this presentation.

If you use a different set of forms they must be **approved by CHFA.**



REQUIRED STATE FORMS

A full set of required forms can be found on the Spectrum Website.

www.spectrumlihtc.com



Services ▾ Training/Webinars ▾ State Monitoring ▾ **Forms** ▾ About Us ▾ News ▾ Contact ▾ Client Portal

**Achieving Compliance
is Easier Than You
Think**

HOTMA**The Housing Opportunity Through Modernization Act of 2016**

The purpose is to modernize HUD's documentation requirements to reduce the burden on families accessing housing assistance.

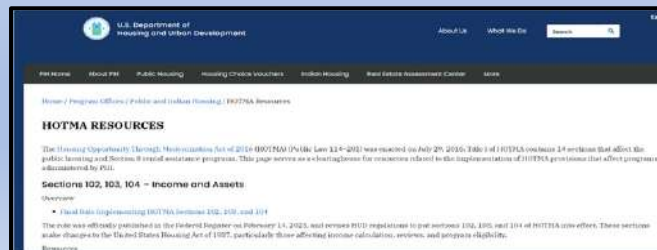
Since we use the HUD 4350.3 as guidance to calculate income in the LIHTC program several parts of HOTMA impact the tax credit program.

**HOTMA**

Section 102 and 104 of HOTMA making sweeping changes affecting income calculations and reviews.

Resources:
Implementation Guidance:
Sections 102 and 104 of (HOTMA)

Go to HUD.gov
There is a HOTMA resource page on the site.



HOTMA

IMPLEMENTED BY 1/1/2026



Required Forms

Title	File Size	File Type	Link
TC-100 Tenant Income Certification (HOTMA rev 9-2024)	344 KB	pdf	Download
TC-100A Student Status Household Affidavit	74 KB	pdf	Download
TC-100 B(1) Lease Addendum (100% qualified)	51 KB	pdf	Download
TC-100 B Lease Addendum (mixed income)	65 KB	pdf	Download
TC-100 D Employment Verification	154 KB	pdf	Download
TC-100 F Certification of Zero Income	96 KB	pdf	Download
TC-100 H Asset Self-Certification (HOTMA rev 9-2024)	213 KB	pdf	Download
Tenant Application	219 KB	pdf	Download
Interview Checklist	128 KB	pdf	Download
Certification Worksheet	186 KB	pdf	Download
Student Verification	106 KB	pdf	Download
Recertification Update	126 KB	pdf	Download
Self-certification of Income	127 KB	pdf	Download
CHFA's Tenants Guide to Section 42	381 KB	pdf	Download

REQUIRED STATE FORMS

Application
Interview Checklist
Tenant Income Cert
Employment Verification
Cert of Zero Income
Asset Self-Certification
Student Verification
Calculation Worksheet
Lease Addendums
Self-Certification



REQUIRED STATE FORMS

No two households are ever the same!

Every household presents its own challenges.

Using appropriate forms help is key!



THE APPLICATION

A comprehensive housing application is critical in determining tenant eligibility.

Your application is the foundation for the certification process.



THE APPLICATION

Application can help determine:

If tenant has the ability to pay rent.

Meet the requirements of the lease.

If you need to deny due to drug or criminal activity.



THE APPLICATION

Every question must be answered.

A blank does not mean “NO”. It mean unanswered!



APPLICATION FOR HOUSING
Low-Income Housing Tax Credit Property

Please Print Clearly

Completed by Management

Appropriate Unit Size Requested?

<p>This is an application for housing at:</p> <p>Please complete this application and return to:</p>	<p>Project:</p> <p>Address:</p> <p>Name:</p> <p>Address:</p>
--	--

Applications are placed in order of date and time received. An applicant may be interviewed only after the receipt of this tenant application.

A. GENERAL INFORMATION

Applicant Name(s): _____

Address: _____
Street Apt # City State ZIP

Daytime Phone: _____ Evening Phone: _____

No. of BR's in current unit: _____ Do you ☐ RENT or ☒ OWN (check one)

Amount of current monthly rental or mortgage payment: \$ _____

If owned, do you receive monthly rental income from property? ☐ Yes ☐ No (check one)

Check utilities paid by you: ☐ Heat ☐ Electricity ☐ Gas ☐ Other (specify) _____

Approximate monthly cost of utilities paid by you (excluding phone and cable TV): \$ _____

Bedroom size requested: ☐ Studio ☐ One BR ☐ Two BR ☐ Three BR ☐ Handicap BR

Waiting List

Real Estate is an Asset (could generate income)

B. HOUSEHOLD COMPOSITION						
	Name	Relationship to head	Birth Date	Age (optional)	SSN (last 4 digits)	Student Y/N
Head		Self				Y
Co-Head						Y
3.						Y
4.						
5.						
6.						
7.						
8.						

Will all listed minors be living in the unit at least 50% of the time? ☒ Yes ☐ No

Have there been any changes in household composition in the last twelve months? ☐ Yes ☐ No
If yes, explain:

Do you anticipate any changes in household composition in the next twelve months? ☐ Yes ☐ No
If yes, explain:

Is there someone not listed above who would normally be living with the household? ☐ Yes ☐ No
If yes, explain:

Will all of the persons in the household be or have been full-time students during five calendar months of this year or plan to be in the next calendar year at an educational institution (other than a correspondence school) with regular faculty and students? ☐ Yes ☐ No

IF YES, ANSWER THE FOLLOWING QUESTIONS:

Are any full-time student(s) married and filing a joint tax return?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are any student(s) enrolled in a job-training program receiving assistance under the Job Training Partnership Act?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are any full-time student(s) a TANF or a title IV recipient?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are any full-time student(s) a single parent living with his/her child(ren) who is not a Dependant on another's tax return and whose children are not dependents of anyone other than a parent?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is any student a person who was previously under the care and placement of a foster care program (under Part B or E of Title IV of the Social Security Act)?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

All Household Members

Recent or Anticipated Changes

Student Status

50% custody


Student Status

NEW

HOTMA

(The Housing Opportunity Through Modernization Act of 2016)

Effective 1/1/2024



FOSTER ADULTS AND FOSTER CHILDREN

1. Do not count towards household composition with determining income limits
2. Income and assets are not included as income

Do count when determining appropriate unit size

C. INCOME		
List ALL sources of income as requested below. If a section doesn't apply, cross out or write NA.		
Household Member Name	Source of Income	Gross Monthly Amount
11.	Social Security	\$
12.	Social Security	\$
13.	SSI Benefits	\$
14.	SSI Benefits	\$
15.	Pension (list source)	\$
16.	Pension (list source)	\$
17.	Veteran's Benefits (list claim #)	\$
18.	Veteran's Benefits (list claim #)	\$
19.	Unemployment Compensation	\$
20.	Unemployment Compensation	\$
21.	Public Assistance (Title IV/TANF etc.)	\$
22.	Contributions to the Household (monetary or not)	\$
23.	Full-Time Student Income (18 & Over Only)	\$
24.	HOTMA CHANGE Financial Aid (excluding loans)	\$
25.	Annuities (list sources)	\$
26.	Long Term Medical Care Insurance Payments in excess of \$180/day	\$
27.	Scheduled Payments from Investments	\$
28.	Retirement Account Payments (including RMDs)	\$
29.	Income From Rental Property	\$

Household Member Name	Source of Income	Monthly Amount
30.	Employment amount Employer: Position Held How long employed:	\$
31.	Employment amount Employer: Position Held How long employed:	\$

NEW

FINANCIAL AID


NEW HOTMA RULES

(1/1/2024)

HOTMA mandates the exclusion of certain financial aid

for both full-time and part-time students.

(non-Section 8 households)



NEW

STUDENT FINANCIAL AID
24 CFR 5 5.609(b)(9)
NEW HOTMA RULES
(1/1/2024)

The new rule creates two categories of student financial aid.


#1: Title IV HEA Assistance
Any assistance under 479B of the Higher Education Act of 1965.
(always excluded as income)

#2: Other Financial Assistance
Any other grant-in-aid, scholarship, or other assistance amounts an individual receives for the actual covered costs charged by the institute of higher education.
(excess of actual covered cost is income)

NEW

Financial Aid
NEW HOTMA RULES
(1/1/2024)

WHAT ARE ACTUAL COVERED COSTS?



Tuition

Books and Supplies

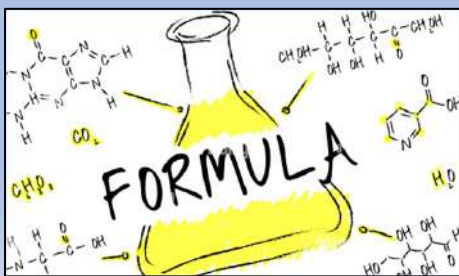
Room and Board

Other required Fees (labs)

NEW

Financial Aid NEW HOTMA RULE

The formula for calculating the amount of “other student financial assistance” begins with deducting the HEA assistance from the total actual covered costs.



NEW

Financial Aid


Example:

Students actual covered costs: \$28,000

HEA Assistance: \$25,000 – Pell Grant

Other Financial Assistance: \$18,000 – Rotary Club Scholarship

Math:



\$28,000 covered costs

- \$25,000 HEA Assistance

\$3,000 covered costs left

\$18,000 Other Financial Assistance

- \$3,000 covered costs left

\$15,000 is included in household income

Section 8 households are treated the same as they were prior to HOTMA

EDUCATIONAL GRANTS AND SCHOLARSHIPS

If the household has **Section 8**

E. Educational Scholarships or Grants

All forms of student financial assistance (grants, scholarships, educational entitlements, work study programs, and financial aid packages) are excluded from annual income ****except for students receiving Section 8 assistance.**** This is true whether the assistance is paid to the student or directly to the educational institution

****For students receiving Section 8 assistance, all financial assistance a student receives (1) under the Higher Education Act of 1965, (2) from private sources, or (3) from an institution of higher education that is in excess of amounts received for tuition is included in annual income except if the student is over the age of 23 with dependent children or the student is living with his or her parents who are receiving Section 8 assistance. See Paragraph 3-13 for further information on eligibility of students to receive Section 8 assistance and the Glossary for the definition of Student Financial Assistance.****

"Over the age of 23" = 24 years-old

Household Member Name	Source of Income	Monthly Amount
Fully Completed →	Employment amount	Amounts (compare later to verifications)
	Employer:	
	Position Held	
	How long employed:	
33.	Previous Employment amount (last 60 days)	\$
	Employer:	
	Position Held	
	How long employed:	
34.	Alimony	
	Do you receive alimony?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If yes list amount you receive.	\$
35.	Child Support	
	Do you receive formal/informal (money, items, etc.) child support?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If yes, list the amount you receive.	\$
36.	Other Income	\$
37.	Other Income	\$
38.	Other Income	\$
39. TOTAL GROSS ANNUAL INCOME (Based on the monthly amounts listed above x 12)		\$
40. TOTAL GROSS ANNUAL INCOME FROM PREVIOUS YEAR (Do NOT leave this blank)		\$
41. Do you anticipate any changes in this income in the next 12 months?		<input type="checkbox"/> Yes <input type="checkbox"/> No
42. Is any member of the household legally entitled to receive income assistance?		<input type="checkbox"/> Yes <input type="checkbox"/> No
43. Is any member of the household likely to receive income or assistance (<i>monetary or not</i>) from someone who is not a member of the household as listed on Page 2 etc.)?		<input type="checkbox"/> Yes <input type="checkbox"/> No
44. If yes to any of the above, explain:		
45. Is the income received?		<input type="checkbox"/> Yes <input type="checkbox"/> No

HOTMA
"Amounts Received"
No more legally entitled

Account Numbers & Bank Names

D. ASSETS (even if jointly held)
If your assets are too numerous to list here, please request an additional form.
If a section doesn't apply, cross out or write NA.

46. Checking Accounts	#	Bank	Balance \$
	#	Bank	Balance \$
	#	Bank	Balance \$
	#	Bank	Balance \$
47. Savings Accounts	#	Bank	Balance \$
	#	Bank	Balance \$
	#	Bank	Balance \$
	#	Bank	Balance \$

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48. Trust Account	#	Bank	Balance \$	
	#	Bank	Balance \$	
	#	Bank	Balance \$	
	#	Bank	Balance \$	
49. Debit cards not associated with a checking account	#	Bank	Balance \$	
	#	Bank	Balance \$	
	#	Bank	Balance \$	
	#	Bank	Balance \$	
50. Certificates of Deposit	#	Bank	Balance \$	
	#	Bank	Balance \$	
	#	Bank	Balance \$	
	#	Bank	Balance \$	
51. Money Market Accounts	#	Bank	Balance \$	
	#	Bank	Balance \$	
	#	Bank	Balance \$	
	#	Bank	Balance \$	
52. Savings Bonds	#	Maturity Date	Value \$	
	#	Maturity Date	Value \$	
	#	Maturity Date	Value \$	
	#	Maturity Date	Value \$	
53. Life Insurance Policy	#		Cash Value \$	
54. Life Insurance Policy	#		Cash Value \$	
55. Mutual Funds	Name:	#Shares:	Interest or Dividend \$	Value \$
	Name:	#Shares:	Interest or Dividend \$	Value \$
	Name:	#Shares:	Interest or Dividend \$	Value \$
56. Stocks	Name:	#Shares:	Dividend Paid \$	Value \$
	Name:	#Shares:	Dividend Paid \$	Value \$
	Name:	#Shares:	Dividend Paid \$	Value \$
57. Bonds	Name:	#Shares:	Interest or Dividend \$	Value \$
	Name:	#Shares:	Interest or Dividend \$	Value \$

Values
(compare later to verifications)

Many balances, will be estimates. Compare with verifications and clarify.

NEW


NEW HOTMA

(1/1/2024)

CHECKING

CURRENT Balance

When verification of assets is required, PHAs/MFH Owners are required to obtain a minimum of one statement that reflects the current balance of banking/financial accounts. MFH Owners were previously required to average the balance of six checking account statements to determine the cash value of a checking account.



Many values,
interest &
dividends will
be estimates.
Compare with
verifications
and clarify.

D. ASSETS (even if jointly held)			
If your assets are too numerous to list here, please request an additional form. If a section doesn't apply, cross out or write N/A.			
46. Checking Accounts	#	Bank	Balance \$
	#	Bank	Balance \$
	#	Bank	Balance \$
	#	Bank	Balance \$
47. Savings Accounts	#	Bank	Balance \$
	#	Bank	Balance \$
	#	Bank	Balance \$
	#	Bank	Balance \$
© SPECTRUM ENTERPRISES 1/2024 Page 4 of 8			
48. Trust Account	#	Bank	Balance \$
49. Debit cards not associated with a checking account	#	Bank	Balance \$
	#	Bank	Balance \$
	#	Bank	Balance \$
50. Certificates of Deposit	#	Bank	Balance \$
	#	Bank	Balance \$
	#	Bank	Balance \$
51. Money Market Accounts	#	Bank	Balance \$
	#	Bank	Balance \$
	#	Bank	Balance \$
52. Savings Bonds	#	Maturity Date	Value \$
	#	Maturity Date	Value \$
	#	Maturity Date	Value \$
	#	Maturity Date	Value \$
53. Life Insurance Policy	#		Cash Value \$
54. Life Insurance Policy	#		Cash Value \$
55. Mutual Funds	Name:	#Shares: Interest or Dividend \$	Value \$
	Name:	#Shares: Interest or Dividend \$	Value \$
	Name:	#Shares: Interest or Dividend \$	Value \$
56. Stocks	Name:	#Shares: Dividend Paid \$	Value \$
	Name:	#Shares: Dividend Paid \$	Value \$
	Name:	#Shares: Dividend Paid \$	Value \$
57. Bonds	Name:	#Shares: Interest or Dividend \$	Value \$
	Name:	#Shares: Interest or Dividend \$	Value \$

NEW

RETIREMENT ACCOUNTS

NEW HOTMA RULES


(1/1/2024)

Retirement Accounts will NOT be considered a family asset!

This includes any retirement plan recognized by the IRS

- IRAs
- 401Ks
- KEOGHS

However, any recurring payments will still be considered income!




NEW

REQUIRED MINIMUM DISTRIBUTION
RMD
NEW HOTMA RULES
(1/1/2024)

HUD clarifies "Non-recurring income" to be excluded (24 CFR 5.609(b)(24).
 It will not be repeated in the coming year.

An RMD is a "recurring" payment.
(Include as income)



58. Real Estate Property: <i>Do you own any property?</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No	
<i>If yes, Type of property</i>		
59. Location of property		
60. Appraised Market Value	\$	
61. Mortgage or outstanding loans balance due	\$	
62. Amount of annual insurance premium	\$	
63. Amount of most recent tax bill	\$	
64. Is the property subject to foreclosure, bankruptcy or eviction?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
<i>If yes, describe:</i>		
65. Have you sold/dispensed of any property in the last 2 years?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
© SPECTRUM ENTERPRISES 1/2024 Page 5 of 8		
<i>If yes, Type of property:</i>		
66. Market value when sold/dispensed	\$	
67. Amount sold/dispensed for	\$	
68. Date of transaction:		
69. Have you disposed of any other assets in the last 2 years (Example: Given away money to relatives, set up Irrevocable Trust Accounts)?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
<i>If yes, describe the asset:</i>		
70. Date of disposition:		
71. Amount disposed		
72. Do you have any other assets not listed above (excluding personal property)?		
<i>If yes, please list:</i>		

TAX ACCESSOR ZILLOW

Real Estate again!
(compare to first page)

Assets Disposed

HOTMA Change: Assets Disposed

Count as an asset for 2 years from date of disposition.

**Have Written Policies in
Tenant Selection Plan**

E. ADDITIONAL INFORMATION

73. Are you or any member of your family currently using an illegal substance? ☐ Yes ☐ No

74. Have you or any member of your family ever been convicted of a felony? ☐ Yes ☐ No

If yes, describe:

75. Have you or any member of your family ever been evicted from any housing? ☐ Yes ☐ No

If yes, describe

76. Have you ever filed for bankruptcy? ☐ Yes ☐ No

If yes, describe

77. Will you take an apartment when one is available? ☐ Yes ☐ No

Briefly describe your reasons for applying:

F. REFERENCE INFORMATION

78. Current Landlord	Name:	
	Address:	
	Cell Phone:	
	Email:	
	How Long?	

**Have
Written
Policy**

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Page 6 of 8

79. Prior Landlord	Name:	
	Address:	
	Cell Phone:	
	Email:	
	How Long?	

**Landlord
References
are
Valuable**

80. Credit Reference #1:		
Address:		
Account #:	Phone #:	
81. Credit Reference #2:		
Address:		
Account #:	Phone #:	
82. Personal Reference #1:		
Address:		
Relationship:	Phone #:	
83. Personal Reference #2:		
Address:		
Relationship:	Phone #:	
84. Personal Reference #3:		
Address:		
Relationship:	Phone #:	

G. VEHICLE AND PET INFORMATION (if applicable)		
List any cars, trucks, or other vehicles owned. Parking will be provided for one vehicle. Arrangements with Management will be necessary for more than one vehicle.		
86. Type of Vehicle:	License Plate #:	Vehicle Info can lead to more questions
Year/Make:	Color:	
87. Type of Vehicle:	License Plate #:	
Year/Make:	Color:	
88. Do you own any pets?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
If yes, describe:		
© SPECTRUM ENTERPRISES 1/2024 Page 7 of 8		
H. APPLICATION ASSISTANCE		
89. Did anyone help/assist you in filling out this application?		<input type="checkbox"/> Yes <input type="checkbox"/> No
If yes, who assisted and what was the reason for the assistance:		
"True to the best of my knowledge"		
CERTIFICATION		
I/We hereby certify that I/We Do/Will Not maintain a separate subsidized rental unit in another location. I/We further certify that this will be my/our permanent residence. I/We understand I/We must pay a security deposit for this apartment prior to occupancy. I/We understand that my eligibility for housing will be based on applicable income limits and by management's selection criteria. I/We certify that all information in this application is true to the best of my/our knowledge, and I/We understand that false statements or information are punishable by law and will lead to cancellation of this application or termination of tenancy after occupancy. All adult applicants, 18 or older, must sign and date the application.		
SIGNATURE(S) (Must be dated):		
(Signature of Tenant)	Signed by ALL Adults (18+)	Date
(Signature of Co-Tenant)		Date
		Date: how old is this information?

CERTIFICATION	
I/We hereby certify that I/We Do/Will Not maintain a separate subsidized rental unit in another location. I/We further certify that this will be my/our permanent residence. I/We understand I/We must pay a security deposit for this apartment prior to occupancy. I/We understand that my eligibility for housing will be based on applicable income limits and by management's selection criteria. I/We certify that all information in this application is true to the best of my/our knowledge, and I/We understand that false statements or information are punishable by law and will lead to cancellation of this application or termination of tenancy after occupancy. All adult applicants, 18 or older, must sign and date the application.	
FALSE STATEMENTS WILL LEAD TO CANCELLATION OF THE APPLICATION or TERMINATION OF TENANCY...	
CANCEL	

THING TO REMEMBER!

If things don't add up, ask more questions and document answers.

If someone cannot provide enough information. Don't rent to them!



QUIZ!

Who must complete an application?

- ☐ a. Those that sign the lease
 ☒ b. All adults
 ☐ c. Only the head of household

An applicant give \$5K to her daughter on 11/15/2024. How his this treated?

- ☒ a. Disposed of asset for 2 years from 11/15/2024
☐ b. There is no value, they do not have access to the funds
☐ c. Don't rent to them! They are trying to cheat the system

In CT a Required Minimum Distribution from a retirement account is treated as?

- ☐ a. Excluded income
 ☒ b. Income
 ☐ c. An asset

THE INTERVIEW CHECKLIST

**Double checking and clarifying
the application**



THE INTERVIEW CHECKLIST

It is a **condensed
version of the
application.**

**It is an
opportunity to
**update, remove,
or change** info on
the application.**

REQUIRED IN CT!



THE INTERVIEW CHECKLIST

Compare with the application for consistency.

If items are not consistent you will need to decide if fraud or a simple mistake.



THE INTERVIEW CHECKLIST

Thorough applications and checklists can help you illustrate due diligence.



TENANT INCOME CERTIFICATION TC-100

The **TIC** is one of the most essential documents for LIHTC compliance



TENANT INCOME CERTIFICATION TC-100



The IRS has instructed that a household **without** a complete TIC be reported as **over-income!**

PART V. DETERMINATION OF INCOME ELIGIBILITY			
TOTAL ANNUAL HOUSEHOLD INCOME FROM ALL SOURCES: From item (L) on page 1: \$ 		RECERTIFICATION ONLY: Current Income Limit x 140% \$ _____	
Current LIHTC Income Limit per Family Size for the federal 50% or 60% set aside: \$ _____		Household Meets Income Restriction at: <input type="checkbox"/> 60% <input type="checkbox"/> 50% <input type="checkbox"/> 40% <input type="checkbox"/> 30% <input type="checkbox"/> _____ %	
H/hold Income at LIHTC Qualification Date: \$ _____		Household Income exceeds 140% at recertification: <input type="checkbox"/> Yes <input type="checkbox"/> No	
H/hold Size at LIHTC Qualification Date: _____		NOTE: You can indicate lower AMI or Higher AMI	

PART VI. RENT	
Tenant Paid Rent \$ _____ Utility Allowance \$ _____ Other non-optional charges: \$ _____ GROSS RENT FOR UNIT: (Tenant paid rent plus Utility Allowance & other non-optional charges) \$ Maximum Rent Limit for this unit: \$ _____ Unit Meets Rent Restriction at: <input type="checkbox"/> 60% <input type="checkbox"/> 50% <input type="checkbox"/> 40% <input type="checkbox"/> 30% <input type="checkbox"/> _____ %	Federal Rent Assistance Amount: \$ _____ *Source: _____ Non-Federal Rent Assistance Amount: \$ _____ (*1-8) TOTAL RENT ASSISTANCE: \$ _____ * Source of Federal Assistance 1 **HUD Multi-Family Project-Based Rental Assistance (PBRA) 2 Section 8 Moderate Rehabilitation 3 Public Housing Operating Subsidy 4 HOME Rental Assistance 5 HUD Housing Choice Voucher (HCV), tenant-based 6 HUD Project-Based Voucher (PBV) 7 USDA Section 521 Rental Assistance Program 8 Other Federal Rental Assistance _____ on 8 New Construction/Substantial Rehabilitation; ut, Section 8 Property Disposition; Assistance Contracts (PRAC)

**NOTE: Gross rent is always Tenant Paid Rent + UA + Non-optional charges.
(Gross rent does not include subsidy)**

PART VII. STUDENT STATUS		
ARE ALL OCCUPANTS FULL TIME STUDENTS? <input type="checkbox"/> Yes <input type="checkbox"/> No	If yes, Enter student explanation* (also attach documentation) *Enter 1-6: _____	*Student Explanation: 1 TANF assistance 2 Job Training Program 3 Single parent/dependent child 4 Married/joint return 5 Formerly in foster care 6 Extended-Use Period

NOTE: If checked yes, then an explanation must be met.

PART VIII. PROGRAM TYPE				
Mark the program(s) listed below (a. through e.) for which this household's unit will be counted toward the property's occupancy requirements. Under each program marked, indicate the household's income status as established by this certification/recertification.				
a. Tax Credit <input type="checkbox"/> See Part V above.	b. HOME <input type="checkbox"/> Income Status <input type="checkbox"/> ≤ 50% AMGI <input type="checkbox"/> ≤ 60% AMGI <input type="checkbox"/> ≤ 80% AMGI <input type="checkbox"/> OI**	c. Tax Exempt <input type="checkbox"/> Income Status <input type="checkbox"/> 50% AMGI <input type="checkbox"/> 60% AMGI <input type="checkbox"/> 80% AMGI <input type="checkbox"/> OI**	d. AHDP <input type="checkbox"/> Income Status <input type="checkbox"/> 50% AMGI <input type="checkbox"/> 80% AMGI <input type="checkbox"/> OI**	e. <input type="checkbox"/> _____ <i>(Name of Program)</i> Income Status <input type="checkbox"/> _____ <input type="checkbox"/> _____ <input type="checkbox"/> OI**

NOTE: Check all programs that apply to the household.

**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.	
NOTE: Must be signed and dated by owner/rep SIGNATURE OF OWNER/REPRESENTATIVE _____	DATE _____

VERIFICATION PROCESS



NEW

HOTMA – New Verification Hierarchy

J.5 Verification Hierarchy

Regulation: 24 CFR §§ 5.240(c); 5.659(d); 891.105; 891.410(b)-(c) and (g); 891.610(b)-(c) and (g); 960.259(c); 982.201(e); and 982.516(a)(2)

Owners are responsible for obtaining verification of a family's annual income and assets.

HUD developed a hierarchy (table J2) that describes verification documentation from **MOST** acceptable to **LEAST** acceptable.

NEW

Can't use EIV with LIHTC

The Work Number or automated verification system

Documentation in possession of the tenant (i.e. pay stubs, SS letter, bank statement)

AKA: "traditional third-party verification" Employment verification completed by the third party by hand

"Last Resort"

Recommend only for zero income adults and assets that do not exceed imputed threshold

6	Upfront Income Verification (UIV) using non-EIV system (e.g., The Work Number, web-based state benefits systems, etc.)	Highest	EIV may be used as the sole verification of Social Security income. EIV income information may be used to calculate other types of annual income when family agrees. See Level 4 for more information.
5	Upfront Income Verification (UIV) using non-EIV system (e.g., The Work Number, web-based state benefits systems, etc.)	Highest	
4	Written, third-party verification from the source, also known as "tenant-provided verification" OR EIV – Self-Certification PHAs/MFH Owners can choose either option when both are available to verify income. PHAs/MFH Owners must use written, third-party verification when the income type is not available in EIV (e.g., self-employment, Go Fund Me accounts, general public assistance, Veterans Administration benefits, etc.)	High	<ul style="list-style-type: none"> Written, third-party verification is used when tenant disputes EIV-reported employment and income information. The EIV Income Report may be used to verify and calculate income if the family self-certifies that the amount is accurate and representative of current income. The family must be provided with the information from EIV.
3	Written, Third-Party Verification Form	Medium	<ul style="list-style-type: none"> Use if Level 5 or Level 4 verification is not available or is rejected by the PHA/MFH Owner and when the applicant or tenant is unable to provide acceptable documentation. May substitute Level 2 for written, third-party verification form, only completing one of the two forms of verification before moving to self-certification.
2	Oral Third-Party Verification	Medium	
1	Self-Certification (not third-party verification) Certificate of Zero Income Asset Self Certification	Low	<ul style="list-style-type: none"> Use as a last resort when unable to obtain any type of third-party verification or if specifically permitted, such as to determine actual income from assets when the family certifies that net family assets do not exceed \$50,000. May be used as highest form of verification when the family reports zero income.

LIHTC


NEW

NEW HOTMA RULE
1/1/2024
Implementation Guidance: Section 102 and 104 of HOTMA

Owners may obtain a minimum of two current and consecutive pay stubs to determine annual income.

If two paystubs do not reflect an accurate determination of income, you can request more.

Spectrum highly recommends more!



VERIFICATION PROCESS

If obtaining through **3rd Party.**
(Employment Verification)

Mail, Email, Fax are all valid.

**A tenant should never
hand carry a verification to or
from employer.**



VERIFICATION PROCESS

**Verifications may not be older
than 120 days from the
effective date of the TIC.**



VERIFICATION PROCESS

Good idea to obtain additional documentation to support 3rd party verifications.

(Pay Stubs, Tax Return, Bank Statements)

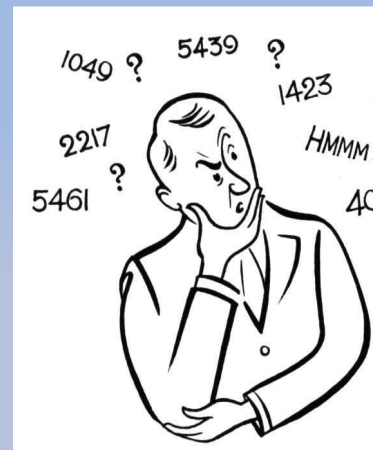
Know your company/owner/investor policy



THINGS TO CONSIDER

Always compare Year-to-Date with base pay, overtime, bonuses, tips, etc.

Be conservative:
If a range is provided always use the greatest figures (i.e. 30 to 40 hours, use 40)



EXAMPLE

WAGE:

\$29 x 40 hours X 52 weeks = \$60,320

YTD:

\$28,400 through 6/16/2023 (24 weeks)

\$28,400/24 weeks x 52 = \$61,533.33

Be conservative and use YTD



THIS SECTION TO BE COMPLETED BY EMPLOYER			
Please provide an employee pay history report when returning this completed form			
Employee Name: <u>Harold Tucker</u>		Job Title: <u>Compliance Analyst</u>	
Presently Employed: Yes <input checked="" type="checkbox"/>	Date First Employed: <u>12/12/20</u>	No <input type="checkbox"/> Last Date of Employment: <u>1/1/</u>	
Current Wages (check one) <input checked="" type="checkbox"/> Hourly <input type="checkbox"/> Salary \$ <u>15.00</u>		Pay Frequency <input type="checkbox"/> Weekly <input checked="" type="checkbox"/> Bi-weekly <input type="checkbox"/> Monthly <input type="checkbox"/> Semi-monthly <input type="checkbox"/> Yearly	
		Pay Method <input type="checkbox"/> Cash <input type="checkbox"/> Check <input type="checkbox"/> Direct Deposit <input type="checkbox"/> Other	
Number of regular hours scheduled per week: <u>30-40</u> (If hours vary please list maximum anticipated)		Gross Year to Date Pay: \$ _____ From <u>1/1/23</u> Through <u>5/1/23</u> Number of pay periods included in the YTD earnings above: _____	
Gross pay from prior year: \$ <u>29,700</u>			
Overtime Rate: \$ <u>0</u> per hour	Average number of OT hours per week: <u>0</u>		
Shift Differential Rate: \$ <u>0</u> per hour	Average number of shift differential hours per week: <u>0</u>		
(CIRCLE ALL THAT APPLY) COMMISSIONS, BONUS, TIPS, OTHER: \$ _____		Frequency <input type="checkbox"/> Weekly <input type="checkbox"/> Bi-weekly <input type="checkbox"/> Monthly <input type="checkbox"/> Semi-monthly <input type="checkbox"/> Yearly <input type="checkbox"/> Other	
Did employee receive a raise last year? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes If YES, when? _____ If the employee received a raise last year, is there any reason to think this year might be different? _____			
Will the employee receive a raise this year? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes If YES: \$ _____ % <u>2%</u> ; Effective date: <u>5/1/23</u>			
List any anticipated change in the employee's rate of pay/hours within the next 12 months: \$ _____ % <u>2%</u> ; Effective date: <u>5/1/23</u>			
If the employee's work is seasonal or sporadic, please indicate the layoff period(s): <u>N/A</u>			
Is employee eligible for unemployment during the layoff? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes Does employee participate in a retirement plan i.e. 401K? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes			
Does the employee have access to withdraw funds from the retirement plan i.e. 401K while still employed? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes			
<u>Alan</u> Employer Signature <u>207-123-4567</u> Phone #		<u>Andrew Doe</u> Employer Printed Name & Title <u>N/A</u> Fax #	
		<u>3/1/23</u> Date <u>AB@Spectrum1Nk.com</u> E-Mail	
NOTE: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to make willful false statements or misrepresentations to any Department or Agency of the United States as to any matter within its jurisdiction.			
© SPECTRUM ENTERPRISES 2020 Page 1 of 1			

CLARIFICATION FORM	
Property Name: _____	
Applicant/Resident Name: _____ Unit #: _____	
<input type="checkbox"/> Initial Certification <input type="checkbox"/> Recertification Effective Date: _____	
MODE OF CLARIFICATION:	
<input type="checkbox"/> Telephone <input type="checkbox"/> In-Person Interview <input type="checkbox"/> Other (Describe): _____	
Date of Clarification: _____ Time: _____	
Contact Name: _____ Title: _____	
Phone Number: _____ Email: _____	
Company/Organization: _____	
Reason for Clarification:	
Summary of Clarified Information:	
Management Signature _____	Date _____
Tenant Signature _____	Date _____

Previous slide showed an employment verification with missing information and blank sections.

Best practice is to contact the employer and obtain the missing information.

Use a clarification form to record date, time and person contacted.

Along with questions and answers.

**THIRD-PARTY
EMPLOYMENT
VERIFICATION**

THIS SECTION TO BE COMPLETED BY EMPLOYER

- Please answer all questions fully leaving no blanks
- Please provide an employee pay history report when returning this completed form

Employee Name: _____ Job Title: _____

Presently Employed: Yes ☐ Date First Employed: ____/____/____ No ☐ Last Date of Employment: ____/____/____

Current Wages (check one) ☐ Hourly ☐ Salary \$ _____ Pay Frequency ☐ Weekly ☐ Bi-weekly ☐ Monthly ☐ Semi-monthly ☐ Yearly

Pay Method ☐ Cash ☐ Check ☐ Direct Deposit ☐ Other _____

Number of regular hours scheduled per week: _____ (If hours please list maximum anticipated) Gross Year to Date Pay: \$ _____

Gross pay from prior year: \$ _____ From ____/____/____ Through ____/____/____

Overtime Rate: \$ _____ per hour Average number of OT hours per week: _____

Shift Differential Rate: \$ _____ per hour Average number of shift differential hours per week: _____

(CIRCLE ONE) COMMISSIONS, BONUS, TIPS, OTHER: \$ _____ Frequency ☐ Weekly ☐ Bi-weekly ☐ Monthly ☐ Semi-monthly ☐ Yearly ☐ Other _____

List the most recent change in the employee's rate of pay/hours: \$ _____ % Effective date: ____/____/____

List any anticipated change in the employee's rate of pay/hours within the next 12 months: \$ _____ % Live date: ____/____/____

If the employee's work is seasonal or sporadic, please indicate the layoff period(s): _____

Is employee eligible for unemployment during the layoff? ☐ No ☐ Yes Does employee participate in a retirement plan i.e. 401k? ☐ No ☐ Yes

Everything
must be
answered!

A blank is
not a "NO"

THINGS TO CONSIDER WITH VERIFICATIONS

ARE ALL QUESTIONS ANSWERED?

DO ANSWERS MAKE SENSE?

TAX RETURNS AND PAY STUBS CAN BE HELPFUL!



QUIZ!

How is a file with no TIC treated?

a. Over Income

b. Vacant Unit

c. Other noncompliance

Who must sign the TIC?

a. All Adults

b. Those that sign the lease

c. Head of Household

Verifications may not be older than what?

a. 90 days

b. 120 days

b. 365 days

Under the new HOTMA Verification Hierarchy, what is the most acceptable method of verification?

a. Employment Verification

b. The Work Number

b. Pay Stubs

CERTIFICATION WORKSHEET

**EVERY FILE MUST HAVE A
WORKSHEET SHOWING
CALCULATION OF
ANNUAL INCOME.**



CERTIFICATION WORKSHEET

**OTHER PROGRAMS MAY CALCULATE
INCOME DIFFERENTLY.**

**THIS MEANS YOU COULD HAVE DIFFERENT
CERTIFIED INCOMES FOR DIFFERENT
PROGRAMS.**



Regular / VOE Calculations				
	Rate	x Hours	x Period	Annual Income =
Regular / Salary	\$18.00	40	52	\$37,440.00
Pay Increase				\$0.00
Overtime				\$0.00
Bonuses				\$0.00
Other				\$0.00
Avg		0.00		\$0.00
<i>To obtain an average on addtl compensation; enter all pay stubs hrs or amounts (when applicable)</i>				
0.00				
Average =				0.00
YTD	/ Weeks	Avg per wk	x # of wks	YTD total
\$0.00	34.71	\$0.00	52	\$0.00
Total VOE / Avg			\$37,440.00	

Average Gross Pay Calculations	
Check stubs	Gross pay
1st	\$1,254.60
2nd	\$1,251.00
3rd	\$1,323.00
4th	\$1,440.00
5th	\$1,152.00
6th	\$1,543.50
7th	\$1,704.60
8th	\$1,816.20
9th	\$1,704.60
10th	
11th	
12th	
13th	
14th	
Avg Pay Amount =	\$1,465.50
X Pay Cycle	24
Total Avg Gross Pay =	\$ 35,172.00

VOE YTD Calculation	
PP Start Date	Pay period End date
1/1/2023	8/31/2023
243	# of paid days YTD
7	/ by 7 days in a wk
34.71	= total working wks
Year-to-date Earnings	
\$ 26,623.80	YTD Gross Amount
34.71	/ by # of weeks YTD
\$ 766.94	= Avg Amount Per Week
52	X # of wks working in a year
\$ 39,880.88	Total YTD

Example

Management
conducted
3 different
calculation
methods

Regular
(\$37,440)

Avg. Pay Stubs
(\$35,172)

YTD
(\$39,880.88)

CERTIFICATION WORKSHEET					
Name		Unit			
<p>Income Calculations: Multiply the rate by the appropriate number to equal the Anticipated Annual Income. Factor overtime pay, pay increases, and other employment compensation separately. <u>Do not use the total annual income multiplied by one.</u> The intent of this sheet is to show <u>detailed</u> calculations that support the amounts listed on tenant certification.</p>					
Household Member	Income Source	Rate	Hrs	Period (12,24,26,52)	Anticipated Annual Income
			X	X	= \$
			X	X	= \$
			X	X	= \$
			X	X	= \$
			X	X	= \$
			X	X	= \$
			X	X	= \$
			X	X	= \$
			X	X	= \$
			X	X	= \$
			X	X	= \$
			X	X	= \$
			X	X	= \$
			X	X	= \$
			X	X	= \$
Sum Total from Anticipated Annual Income Column					\$
					LINE A

The Certification of Zero Income is the document used for this status.

CERTIFICATION OF ZERO INCOME - TC - 100 F <small>(One form to be completed by each adult member with no reported income from any source.)</small>	
Applicant/Tenant: _____ Unit #: _____	
1. <input type="checkbox"/> I currently have no income of any kind and I do not expect this to change in the next 12 months.	
2. <input type="checkbox"/> I am still a dependent and have never had an independent source of income.	
3. I have been living with zero income for _____ years and 1 months.	
4. I hereby certify that I do not individually receive income from any of the following sources:	
a. Wages from employment (including commissions, tips, bonus, etc.) b. Income from the operation of a business or sales from self-employed resources (Avon, Mary Kay, etc.) c. Rental income from real or personal property d. Interest or dividends from assets e. Social Security payments, annuities, insurance policies, retirement funds, pensions, or death benefits f. Unemployment or disability payments g. Public assistance payments h. Periodic allowances such as alimony, child support, or gifts from persons not living in my household i. Income from driving (Uber, Lyft, etc.) j. Cash payments k. Student financial aid l. Any other source not named above	
5. The reason I have no income is: _____	
6. I will be using the following sources of funds to pay for (Use N/A instead of leaving blanks):	
<u>*In-Kind Donations are excluded income: i.e. Food bank, Church, etc.</u>	
Utilities:	_____
Food:	_____
Clothing and Laundry:	_____
Transportation:	_____
Internet/Cable:	_____
Phone:	_____
Toiletries:	_____
Credit Cards/loans/bills:	_____
Tenant Signature _____	Date _____
Management Signature _____	Date _____

"Adult" means 18 or older, including dependants

You may want to ask, "Why don't you anticipate any income in the next 12 months?"

#5: Must be answered.

Donations from family and friends are considered income.

IN-KIND DONATIONS ARE EXCLUDED!!!

NEW

NON-MONETARY IN-KIND DONATIONS

(24 CFR 5.609(b)(24))

EXCLUDED!

FOOD, CLOTHING, TOILETRIES

From a Food Bank or similar organization

IN-KIND DONATIONS



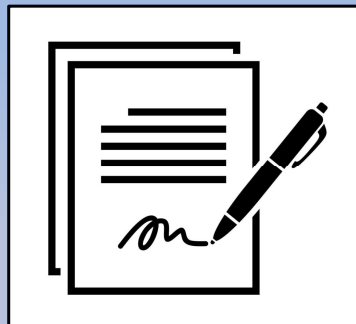


ASSET SELF-CERTIFICATIONS



NEW

ASSET SELF-CERTIFICATION – TC100H (NEW HOTMA)



If combined assets for the household are at or below the imputed threshold, the IRS allows a signed statement verifying this.


NEW

NEW HOTMA

(1/1/2024)

Thresholds for self-certifying assets?

2024 = \$50,000
2025 = \$51,600
2026 = \$52,787

 2026 HUD Inflation-Adjusted Values (Table 1): Effective January 1, 2026

Threshold above which imputed returns must be calculated on net family assets.	24 CFR §§ 5.609(a)(2) and (b)(1)	\$52,787	Section 8 PBRA, 202/8, 202/811 PRAC, 236 IRP, 811 PRA, SPRAC, HCV, Public Housing, Section 8 Mod Rehab, Section 8 Mod Rehab SRO, HOPWA, HOME, HTF
--	----------------------------------	----------	---

ASSET SELF-CERTIFICATION TC 100H

For households whose combined net assets do not exceed the applicable imputed income limitation.
 (Complete only once form per household; include assets of children.)

For the following asset types, include the current Cash Value of each asset held by any family member and the actual income that the asset earns. *Cash value is current market value minus cost to convert an asset to cash, such as broker's fees, settlement costs, outstanding loans, penalties for early withdrawal, etc.*

Household Name: _____ Unit#: _____

PART I: ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE (FMV)

☐ Yes ☐ No Within the past two (2) years, I/we have sold or given away assets below their fair market value (FMV).

Asset #1: _____ Date of Disposal: _____ FMV - amt received: _____
 Asset #2: _____ Date of Disposal: _____ FMV - amt received: _____

PART II: FEDERAL TAX RETURN OR REFUNDABLE FEDERAL TAX CREDIT

Have you received a federal tax return or refundable federal tax credit in the last 12 months? ☐ Yes ☐ No

Amount of return/credit: \$ _____

PART III: NON-NECESSARY PERSONAL PROPERTY (NNPP)

☐ Yes ☐ No I/we do not have any non-necessary personal property

Type of Asset	(A) Cash Value*	(B) Annual Income	Type of Asset	(A) Cash Value*	(B) Annual Income
Cash on Hand	\$ _____	N/A	Cryptocurrency	\$ _____	\$ _____
Pre-paid Debit Card (Including Govt. Benefits)	\$ _____	N/A	Money Market/ CD	\$ _____	\$ _____
Checking/Savings	\$ _____	\$ _____	Annuities	\$ _____	\$ _____
Checking/Savings	\$ _____	\$ _____	Brokerage Account	\$ _____	\$ _____
Savings	\$ _____	\$ _____	Stocks/Bonds	\$ _____	\$ _____
Internet based assets (Cash App, Venmo, PayPal, Crowdfunding, etc.)	\$ _____	\$ _____	Other: _____	\$ _____	\$ _____
Whole Life Insurance	\$ _____	\$ _____	Other: _____	\$ _____	\$ _____

Non-Account Based

Possessions not general held in an account such as vehicles used for recreation (e.g., RVs, ATVs, and Boats), antique cars, collectibles (e.g. stamps, jewelry, coins, and artwork), and equipment/machinery that is not used to generate income for a business.

Description: _____ (A) Cash Value* \$ _____
 _____ \$ _____
 _____ \$ _____
 _____ \$ _____

PART IV: REAL PROPERTY

☐ Yes ☐ No I/we do not have any real property

Description of Property	(C) Cash Value*	(D) Income
_____	\$ _____	\$ _____
_____	\$ _____	\$ _____

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

Signature of Applicant/Tenant: _____ Date: _____ Signature of Applicant/Tenant: _____ Date: _____

Remember! Only used if total household assets are at or under the current threshold. (\$50,000)

Part I: Assets disposed of for less than FMV.

Part II: Federal Tax Return

Part III: Non-necessary Person Property

Account Based (interest/dividends)

Non-Account Based

Part IV: Real Property

NEW

ASSET SELF-CERTIFICATION WORKSHEET	
<p>This worksheet accompanies the Asset Self-Certification. Complete <u>either</u> Part I or Part II depending on the nature of the types of assets disclosed by the family on the Asset Self-Certification. When the total net family assets are less than or equal to the <u>applicable Imputed Income Limitation</u>, then only the actual income as disclosed on the Asset Self-Certification is included on the Tenant Income Certification (TIC).</p>	
<p>PART I: COMPLETE THIS SECTION IF THE FAMILY ONLY HAS NNPP AND NO REAL PROPERTY</p>	
<p>Determination of Total Net Family Assets</p>	
(1)	Enter the total of all NNPP by adding the values in (A) \$
(2)	Enter the value of any NNPP disposed of for less than FMV \$
(3)	ADD lines (1) and (2) \$
(4)	Enter the amount of a federal tax return or refundable federal tax credit in the last 12 months \$
(5)	SUBTRACT line (4) from line (3) \$
(6)	Is the value in line (5) less than or equal to \$ <input type="checkbox"/> Yes <input type="checkbox"/> No
<p>If YES, then proceed to Determination of Income from Assets</p>	
<p>Determination of Income from Assets: Enter this amount on Part IVa, Line (F) of the TIC</p>	
(7)	Enter the total by adding the values in (B) \$
<p>PART II: COMPLETE THIS SECTION IF THE FAMILY HAS BOTH NNPP AND REAL PROPERTY</p>	
<p>Determination of Total Net Family Assets</p>	
(1)	Enter the total of all NNPP by adding the values in (A) \$
(2)	Enter the value of any NNPP disposed of for less than FMV \$
(3)	ADD lines (1) and (2) \$
(4)	Is this value less than or equal to \$ <input type="checkbox"/> Yes <input type="checkbox"/> No
<p>If YES, then proceed to line (5)</p>	
<p>If NO, the Asset Self-Certification cannot be used, and each asset must be separately verified</p>	
(5)	Enter the total of all Real Property by adding the values in (C) \$
(6)	Enter the value of any Real Property disposed of for less than FMV \$
(7)	ADD lines (5) thru (6) \$
(8)	Enter the amount of a federal tax return or refundable federal tax credit in the last 12 months \$
(9)	SUBTRACT line (8) from line (7) \$
(10)	Is the value in line (9) less than or equal to \$ <input type="checkbox"/> Yes <input type="checkbox"/> No
<p>If YES, then proceed to Determination of Income from Assets</p>	
<p>If NO, the Asset Self-Certification cannot be used, and each asset must be separately verified</p>	
<p>Determination of Income from Assets: Enter this amount from line (13) on Part IVa, Line (F) of the TIC</p>	
(11)	Enter the total by adding the values in (B) \$
(12)	Enter the total by adding the values in (D) \$
(13)	ADD lines (11) and (12) \$
<p>Imputed Income Limitation FY 2024: \$50,000 FY 2025: \$51,600</p>	

Part I:
If household only has
NNPP

Part II:
If household has NNPP
and Real Property

NEW	
<p>FEDERAL TAX REFUNDS</p>	
<p>A tax refund may be subtracted from the <u>TOTAL VALUE</u> of net family assets, regardless of where the amount is deposited.</p>	
<p>Example:</p> <p>The Rodriguez family explain that they received a \$4,500 refund which was deposited into a checking account. The balance of the checking account is \$10,000. They own no other assets. The household also reports the checking account earns \$100 in actual income.</p> <p style="text-align: center;"> $\\$10,000 - \\$4,500 = \\$5,500 \text{ value.}$ $\\$100 \text{ in actual income.}$ </p>	

NEW

DISPOSED OF ASSETS

Disposed assets must be declared at move-in and every annual certification.


The amount counted is the difference between the cash value and the amount actually received.

In the past the difference was not counted unless it was a \$1,000 or more. **This regulation is gone!!!**

PART I. ASSETS DISPOSED OF FOR LESS THAN FAIR MARKET VALUE (FMV)					
<input type="checkbox"/> Yes	<input type="checkbox"/> No	Within the past two (2) years, I/we have sold or given away assets below their fair market value (FMV).			
Asset #1:		Date of Disposal:		FMV - amt received:	
Asset #2:		Date of Disposal:		FMV - amt received:	

NEW

IMPUTING ASSETS
(NEW HOTMA)



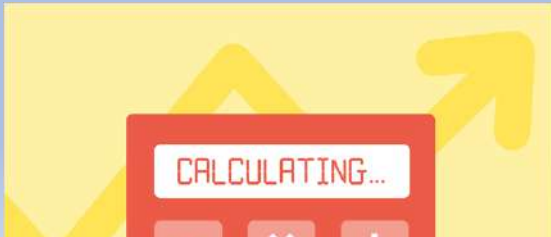
If combined assets for the household are above the imputed threshold, then some assets may need to be imputed.

NEW

IMPUTED INCOME:

Imputed income from assets is no longer determined based on the greater of actual or imputed income for assets. Imputed is calculated for specific assets when these conditions are met:

1. Net family assets exceed the imputed threshold (\$52,787 in 2026)
2. Actual asset income cannot be calculated for the specific asset.



NEW

NEW HOTMA


The passbook rate was set at [0.06%](#)

It will be adjusted annually by HUD for inflation.

2024 = .40%

2025 = .45%

2026 = .40%



2026 HUD Passbook Savings Rate (Table 2): Effective January 1, 2026

Adjusted Item	Regulatory Reference	Rate	Applicable Programs
Passbook Savings Rate	24 CFR 5.609(a)	0.40%	Section 8 PBRA, 202/8, 202/811 PRAC, 236 IRP, 811 PRA, SPRAC, HCV, Public Housing, Section 8 Mod Rehab, Section 8 Mod Rehab SRO, HOPWA, HOME, ITF

Example: Total Net Assets Exceed Self-Cert Threshold

Non-Necessary Assets

Savings: \$55,000 (0% interest)
 Total Net Assets: \$55,000 – assets exceed \$51,600K

“Actual”

Savings: \$55,000 x. 00% = \$00
 Total Actual income = \$00

Real Property

Vacant Land: \$25,000
 Total Net Assets: \$25,000 (Property is always included as an asset)

“Imputed”

Vacant Land: \$25,000 x. 45% = \$112.50
 Total Imputed income = \$112.50

Total Net Assets: \$80,000

PART IV. INCOME FROM ASSETS				
Hshld Mbr #	(F) Type of Asset	(G) Net Value of Asset	(H) Actual Income from Asset	(I) Imputed Income from Asset
	Savings	\$55,000	\$0	
	Vacant Land	\$25,000		\$112.50
	TOTALS:	\$ 80,000	\$ 0	\$ 112.50
			Actual & Imputed Income (J)	\$ 112.50
			Enter combined values from row (J) - TOTAL INCOME FROM ASSETS (K)	\$ 112.50
			(L) Total Annual Household Income from all Sources [Add (E) + (K)]	\$

NEW

HOTMA

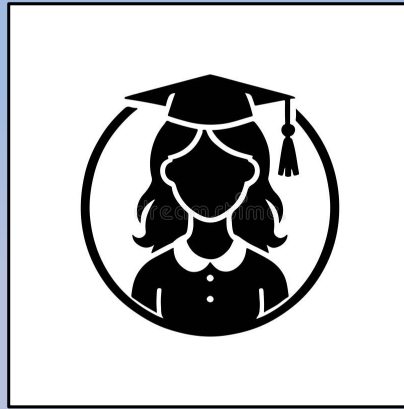
All staff should have HOTMA training.

We have touched based on some of the changes
 HOTMA makes to the tax credit program.

However, a more in-depth training is required.

TRAINING

STUDENT STATUS



STUDENT STATUS

**IRS regulations state that
“no dormitory...may be a qualified
income project.”**



STUDENT STATUS

Student status is only an issue when **EVERYONE** in the household is a **FULL-TIME** student.



STUDENT STATUS

Full-time includes **1-12** grades.

It may include **Kindergarten**.
You need to check with school.



TC-100A Student Status Affidavit

STUDENT STATUS AFFIDAVIT - TC 100 A

Applicant/Tenant Name: _____
Address: _____

Completed For: (check one)

☐ Move-in; effective date: _____
☐ Annual recertification; effective date: _____

Will all of the persons in your household be (or have been) full-time students during five calendar months of the certification year? ☐ Yes ☐ No

If YES, then is anyone in your household:

- A student and receiving AFDC/TANF? ☐ Yes ☐ No
- A student who was previously in a foster care program under Part B or Part E of title IV of the Social Security Act? ☐ Yes ☐ No
- A student enrolled in a job training program funded under the Workforce Investment Act or similar federal, state, or local program? ☐ Yes ☐ No
- A single parent living with his/her children and such parent is not a dependent (as defined in Section 152) and whose children are not dependents of another individual other than a parent? ☐ Yes ☐ No
- Married and file a joint return ☐ Yes ☐ No
- Has the person attended school full-time during any part of 5 months of this calendar year?
Months/year attended full time ____/____/____ to ____/____/____ ☐ Yes ☐ No

I agree to notify management immediately if my student status changes. I understand that changes in student status may affect my eligibility to participate in this Program.

I hereby certify under penalty of perjury that the information provided above is accurate and complete to the best of my knowledge. I consent to release such information in order to comply with Program regulations. I understand that providing false or misleading information may subject me to criminal penalties.

Signature of Tenant _____

Date _____

STUDENT STATUS

For LIHTC compliance the term student means “an individual who during 5 calendar months during a calendar year...”

**5
MONTHS**

STUDENT STATUS

One day out of the month constitutes a full month.

Months do not have to be **consecutive**.



If all household members are full time students then one of the 5 exemptions below must be met.

IF YES, ANSWER THE FOLLOWING QUESTIONS:

Are any full-time student(s) married and filing a joint tax return?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are any student(s) enrolled in a job-training program receiving assistance under the Job Training Partnership Act?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are any full-time student(s) a TANF or a title IV recipient?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are any full-time student(s) a single parent living with his/her child(ren) who is not a Dependant on another's tax return and whose children are not dependents of anyone other than a parent?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is any student a person who was previously under the care and placement of a foster care program (under Part B or E of Title IV of the Social Security Act)?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

STUDENT STATUS

HOW DO YOU DOCUMENT PART-TIME VS. FULL-TIME STATUS?

1st to 12th Grade is assumed to be full-time.

**Post-Secondary:
A third party verification sent
to the **school**.**



NEW

STUDENT STATUS VERIFICATION

THIS SECTION TO BE COMPLETED BY MANAGEMENT AND EXECUTED BY STUDENT

This Student Verification is being delivered in connection with the undersigned's eligibility for residency in the following property:

Property Name: _____

I hereby grant disclosure of the information requested below from: _____

Name of Educational Institution: _____

I hereby authorize the release of the requested information. Information obtained under this consent is limited to information that is no older than 12 months. There are circumstances which would require the owner to verify information that is up to five years old, which would be authorized by me on a separate consent, attached to a copy of this consent.

Signature: _____ Date: _____

Printed Name: _____ Student ID# _____

The above-named individual has applied for residency or is currently residing in housing that requires verification of student status. Please provide the information requested below for calendar year

THIS SECTION TO BE COMPLETED BY EDUCATIONAL INSTITUTION

1. Is the above-named individual a current student at this educational institution? ☐ Yes ☐ No

2. Has the above-named individual been a student in any month in the calendar year? ☐ Yes ☐ No

3. Is the above-named individual enrolled as a student in any (future) month the calendar year? ☐ Yes ☐ No

If YES to any of the above, please indicate this student's full-time (FT) or part-time (PT) status for each month of the calendar year:
(part time is defined as any amount of schooling that is not considered full time by the applicable educational institution.)

Month	FT	PT	N/A	Month	FT	PT	N/A
January	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	July	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
February	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	August	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
March	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	September	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
April	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	October	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
May	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	November	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
June	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	December	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4. What is the cost of tuition and required fees per term? _____

How many terms does the student attend? _____

Has the student been given any financial aid? ☐ Yes ☐ No

If YES, complete the following:

Source	Amount	Beginning Date	Ending Date
Amounts Received under §4719 HEA <input type="checkbox"/> N/A			
Other (e.g. grants/scholarships) <input type="checkbox"/> N/A			

Under penalties of perjury, I certify that the information provided herein is true and accurate to the best of my knowledge. The undersigned further understands that providing false representation herein constitutes fraud.

Signature: _____ Date: _____

Print Name: _____ Title: _____

Email Address: _____ Phone: _____

This is a verification and completed by the school

This form will obtain past, current and future student status.

Actual Covered Costs

It will also gather HEA and Other financial assistance information

THINGS TO REMEMBER!

If everyone in the household is a full-time student then one of the 5 exemptions must be met.

Full-time is for 5 months of the calendar year. One day is a full month.

Student Status is ONLY an issue when all household members are FT Students



LEASE ADDENDUMS



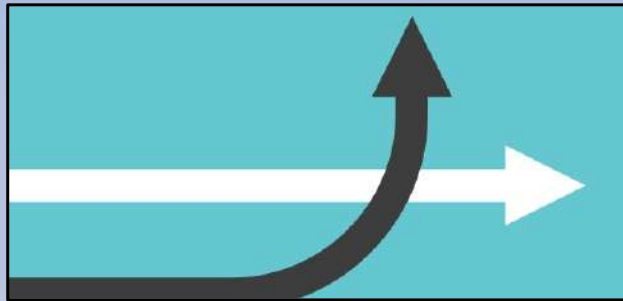
LEASE ADDENDUMS

CHFA REQUIRES A **LEASE ADDENDUM
REQUIRING HOUSEHOLDS TO AGREE
TO THE **RECERTIFICATION** PROCESS.**



LEASE ADDENDUMS

**The lease is a legal contract and there
must be leases or clauses in order to
make any changes.**



LEASE ADDENDUMS

There are 2 versions of the LIHTC addendum.

TC-100B (MIXED USE)

TC-100B(1) (100%)



CERTIFICATION AND RECERTIFICATION REQUIREMENT FOR QUALIFIED UNITS (20/50 or 40/60 Set-Aside)

In accordance with Section 42 of the Internal Revenue Code of 1986, as amended (the "Code"), which governs Low-Income Housing Tax Credits (LIHTC), any individual(s) or families renting these units are required to have annual income not in excess of _____ 50% / _____ 60% (check one) of area median gross income as adjusted for family size and their gross rent shall not be in excess of thirty percent (30%) of the imputed income limitation applicable to the unit. Accordingly, each tenant of a Qualified Unit must certify and annually recertify to their family income and family composition to maintain their eligibility for the lower rents which are based on incomes and number of persons in the household.

If the aggregate household income rises above 140% of the income limitation your rent may be increased to applicable unit size market rate unit.

Reporting your family income and composition annually is important. This establishes your eligibility to remain in the Qualified Unit as required by the Code and the Treasury regulations promulgated thereunder.

If you do not supply accurate information on your household's income and family composition that we will require on forms provided to you, we may impose penalties in accordance with the Code and Connecticut Housing Finance Authority procedures, which may require you to pay the maximum market rate rent approved for the apartment.

I certify that I have read and received a copy of this addendum to my occupancy lease which governs rental of Qualified Units as defined above.

**LEASE ADDENDUM
TC-100 B (1)**

**CERTIFICATION AND RECERTIFICATION REQUIREMENT
FOR 100% QUALIFIED UNITS**

In accordance with Section 42 of the Internal Revenue Code of 1986, as amended (the "Code"), which governs Low-Income Housing Tax Credits (LIHTC), any individual(s) or families renting these units are required to have annual income not in excess of _____ 50% / _____ 60% (check one) of area median gross income as adjusted for family size and their gross rent shall not be in excess of thirty percent (30%) of the imputed income limitation applicable to the unit. Accordingly, each tenant of a Qualified Unit must certify and annually recertify to their family income and family composition to maintain their eligibility for the lower rents which are based on incomes and number of persons in the household.

Reporting your family income and composition annually is important. This establishes your eligibility to remain in the Qualified Unit as required by the Code and the Treasury regulations promulgated thereunder.

If you do not supply accurate information on your household's income and family composition that we will require on forms provided to you, we may impose penalties in accordance with the Code and Connecticut Housing Finance Authority procedures, which may require you to pay the maximum market rate rent approved for the apartment.

I certify that I have read and received a copy of this addendum to my occupancy lease which governs rental of Qualified Units as defined above.

SELF-CERTIFICATION WAIVER



SELF-CERTIFICATION WAIVER

The waiver allows projects an opportunity to **stop** completing full **annual recertifications.**



SELF-CERTIFICATION WAIVER

This applies to **100%** LIHTC projects

Projects in their **Post 15 Years**
(mixed and 100%)



SELF-CERTIFICATION WAIVER

**Mixed use properties
in their initial 15 years
MAY NOT USE the
self-certification.**

**Income Averaging
Projects
MAY NOT USE the
Self-certification
EVER!**



SELF-CERTIFICATION WAIVER

Must be approved by **CHFA to use the waiver.**

**CHFA requires an initial certification
prior to move-in and one additional
certification.**

Student status must be verified.

APPROVED

The Self-Certification was last updated in October 2020. It is a fillable PDF!

You may download a copy form our website under Required and Recommended forms on the CT page!

CHFA LIHTC Self-Certification of Income
October 2020

SELF-CERTIFICATION OF ANNUAL INCOME (LIHTC Only)
To be completed for the second annual recertification and all subsequent recertifications in 100% tax credit projects or Properties in their Post Year 15 Compliance period.

DEVELOPMENT DATA

Property Name:	SIN #	PSD
Address:	Unit No.	# BR.

SECTION TO BE COMPLETED BY RESIDENT

HOUSEHOLD: Enter all household member name(s) and date(s) of birth below. Also note whether or not any household member is or will be a fulltime student in next 12 months. Continue on separate sheet of paper if necessary.

	Household Member Name	Date of Birth	Fulltime Student Yes/No?
Head			
2.			
3.			
4.			
5.			
6.			
7.			
8.			

* Please attach a completed Housing Student Status Verification form.

INCOME: Enter household income including income from assets of each adult household member. If some members have no income, put "Zero." Every adult household member must sign below to certify their gross annual income anticipated for the next 12 months. See NOTES on second page of this form. Continue on separate sheet of paper if necessary.

	Household Member Name	Total Gross Annual Income & Income from Assets	Signature of Adult(s)
Head			
2.			
3.			
4.			
5.			
6.			
7.			
8.			

Page 1 of 2

CHFA LIHTC Self-Certification of Income
October 2020

Student status must be verified along with the self-certification.

Use the TC 100A!

You may download a copy form our website under Required and Recommended forms on the CT page!

STUDENT STATUS AFFIDAVIT – TC 100 A
(LIHTC or Tax Exempt Bond Compliance Period)

Applicant/Tenant Name: _____
Address: _____

Completed For: (check one)
☐ Move-in; effective date: _____
☐ Annual recertification; effective date: _____

Will all of the persons in your household be or have been full-time students during five calendar months of the certification year? ☐ Yes ☐ No

IF YES, then is anyone in your household:

- A student and receiving AFDC/TANF? ☐ Yes ☐ No
- A student who was previously in a foster care program under Part B or Part E of title IV of the Social Security Act? ☐ Yes ☐ No
- A student enrolled in a job training program funded under the Workforce Investment Act or similar federal, state or local program? ☐ Yes ☐ No
- A single parent living with his/her minor children and such parent is not a dependent (as defined in Section 152) and whose children are not dependents of another individual other than a parent? ☐ Yes ☐ No
- Married and file a joint return ☐ Yes ☐ No
- Has the person attended school full-time during any part of 5 months of this calendar year? ☐ Yes ☐ No
- Months/year attended full time ____/____/____ to ____/____/____

I agree to notify management immediately if my student status changes. I understand that changes in student status may affect my eligibility to participate in this Program.

I hereby certify under penalty of perjury that the information provided above is accurate and complete to the best of my knowledge. I consent to release such information in order to comply with Program regulations. I understand that providing false or misleading information may subject me to criminal penalties.

(Signature of Tenant) _____ Date _____
 (Signature of Co-Tenant) _____ Date _____

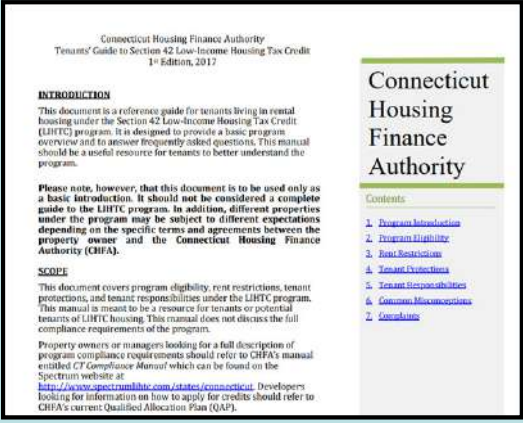
NEW

New Required Form

Required Forms

Title
TC-100 Tenant Income Certification (HOTMA rev 9-2024)
TC-100A Student Status Household Affidavit
TC-100 B(1) Lease Addendum (100% qualified)
Interview Checklist
TC-100 B Lease Addendum (mixed income)
TC-100 F Certification of Zero Income
TC-100 H Asset Self-Certification (HOTMA rev 1-2025)
Tenant Application
Certification Worksheet
Student Status Verification
Recertification Update
Self-certification of Income
CHFA's Tenants Guide to Section 42

Tenants' Guide to Section 42 Low-Income Housing Tax Credit



Designed to provide basic program overview and answer frequently asked questions.

Provide at move-in.

Could also provide with the application.

No requirement for acknowledgement of receipt.

A Gift from the IRS.

Noncompliance that is identified and corrected by the owner prior to notification of the compliance review by the state agency need not be reported.

(i.e. the owner has demonstrated due diligence by addressing noncompliance issues independently.)



SPECTRUM TRAININGS

Keeping In Compliance: LIHTC Files
HAROLD TUCKER
6 HOURS (Updated with HOTMA)



Quick Info

Fee

\$375 – Pre Recorded

\$425 – LIVE + ability to ask your questions and have them answered

Group discounts available – for every five people you register, you will receive one free registration – this applies to all seminars courses.

6 Credit Hours

Upcoming Live Sessions

For more details or to register for a live class, click on a session below.

JAN 15 Keeping In Compliance – East Coast
 Live 01/15/25 & 01/16/25

SEE YOU NEXT TIME

- Harold Tucker, Director of CT State Monitoring – Spectrum Compliance
Htucker@spectrumlihtc.com
- Wil Whalen, Compliance Analyst –Spectrum Compliance
Wwhalen@spectrumlihtc.com
- Shelby Carlson, Compliance Analyst – Spectrum Compliance
Scarlson@spectrumlihtc.com
- Catherine Webb, - CHFA Multifamily -
catherine.webb@chfa.org

**A Certification will be emailed
to each registered participant
at the close of the webinar.**



This follow-up email was sent to 14 attendees.
We hope you enjoyed our webinar.
Please send your questions, comments and feedback to: htucker@spectrumlihtc.com.
Your certificate is available here:

[My Certificate](#)

NOTE:

You must be logged in under your own email and
link to get a copy of your certificate.

6-Credit hours of training will recertify your C3P to the next level. (C4P, C5P, etc.)

If you take 6-hours of training with Spectrum the \$75 recertification fee is waived

Go to spectrumseminars.com Retest/Recertifications

**You may also reach out to Kristan Fucci
kfucci@spectrumseminars.com**

May only up your C3P once per year!

Home Live Events Online Courses Retest/Recertification Ask the Admin

C3P Recertification

\$75.00

Attendee #1

First Name *

Last Name *

Email *

Phone Number *

Please indicate attendee's new certificate level *

☐ Previous training was with Spectrum (free recertification)

\$ 75.00

Prior Certification Document(s)

Attach PDF(s)

Click to choose the files or drag them here