

April 13, 2011

«OwnerFirstName» «OwnerLastName»
«OwnerOrgName»
«OwnerLine1»
«City», «OwnerState» «OwnerPostalCode»

**Re: «Name»
OID #«OID»**

Dear «OwnerFirstName» «OwnerLastName»:

According to our records, the above named property may be eligible for streamlined Post Year-15 Monitoring Procedures. Please review the attached materials and if interested, send a letter to my attention requesting approval. If you have any questions, please call your Compliance Officer «EmployeeInitials» at «Phone_Number» or me at 206-287-4419.

Sincerely,

Tim Sovold
Director
Compliance and Preservation Division
Email: tim.sovold@wshfc.org

Enclosures
Owner's Request
Summary of Post Year-15 Monitoring

April 13, 2011

Washington State Housing Finance Commission
Attn: Compliance and Preservation Division
1000 2nd Avenue, Suite 2700
Seattle, Washington 98104-1046

**Re: «Name»
 OID #«OID»
 «OwnerOrgName»
 First Credit Year: «ProjectFirstCreditYear»**

Dear Compliance & Preservation Division:

On behalf of the owner of the above-referenced property, the undersigned hereby requests approval from the Washington State Housing Finance Commission of streamlined Post Year-15 Monitoring Procedures and a waiver of certain compliance requirements in the regulatory agreement with respect to the above named property.

I certify that the first year tax credit credits were taken, with respect to the project, was «ProjectFirstCreditYear», thus making us eligible for consideration. I have also read and signed the attached Summary of Post Year-15 Monitoring Procedures.

If you have any questions, I can be reached at _____ or by email at _____.

Sincerely,

«OwnerOrgName»

Signature and Title of Authorized Signer for Ownership Entity Date: _____

Enclosures
Summary of Post Year-15 Monitoring

Summary of Post Year-15 Monitoring Procedures Washington State Housing Finance Commission

The following is an overview of streamlined requirements made for properties that have completed their first 15 years of reporting under Section 42 of the Internal Revenue Code and are approved by the Commission for the Post Year-15 Monitoring Procedures.

Annual Reports

Owners will continue to use the existing annual reporting forms. Owners will report all data for **new** households on the Table report, and complete all Owner certification information on the *Certificate of Continuing Property Compliance (CCPC)* document.

Commission staff will request a sampling of **new move-in** resident packages (minimum of 10% every 3 years) after reviewing Table 1 and the CCPC.

Initial Qualifications

Owners must continue to income-qualify all households upon initial occupancy of any affordable unit. Owners must also continue to adhere to limiting Up-Front Charges & Fees.

Re-certifications

Re-certifications are not required for existing households after year 15 on 100% tax credit properties that qualify for and continue to meet Post-Year 15 Monitoring Procedures.

To satisfy the IRS other funder requirements, the Commission has adopted a *Self-Certification of Annual Income* form. After initial qualification, households must self-certify their income and student status annually on their anniversary date.

Owners with bond regulatory agreements that require recertification of bond units must continue to **fully third-party** recertify those units and demonstrate compliance with federal bond regulatory requirements (20@50% or 40@60%).

Household Transfers

For 100% tax credit affordable properties, households may change units, even into a different building, without the requirement of a new household income qualification. Owners should indicate all household transfers on the Table 1 report.

Common Area Units

Employees of a property will not necessarily need to be fulltime employees at the property to occupy a Common Area Unit as long as the Owner can justify the need for the manager/maintenance person/security for that property, and the employee's principle occupation is to manage the subject property.

On-site Visits

Staff will maintain standard of inspecting units every three years. Units may be inspected more frequently if needed. Generally, the percentage of units inspected will be reduced from 20% to a minimum of 10% of total units, with a minimum of five units inspected each visit.

Compliance Fees

For properties that meet qualifying threshold requirements, fees will be reduced \$10 per unit, per year, as long as the property remains in compliance. Rural Development properties will be reduced \$100 per property.

Transfers of Ownership

A transfer of Ownership during the post-year 15 period may also trigger a new three-year Qualifying Period.

Record Retention

Retain original compliance documents for 3 years past that years filing, then electronic or photocopies for an additional 2 years.

Non-Compliance

The current correction process will be used but staff will only issue the noncompliance Form 8823 to Owners for *uncorrected issues*. For chronic problems, temporary suspension and/or debarment procedures may be implemented. Properties that have Material Noncompliance will no longer be eligible for Post-Year 15 Monitoring Procedures and will be required to complete a new three-year Qualifying Period after all noncompliance issues are corrected.

Areas of No Change

All Special Needs and Additional Low-Income Set-Asides remain in place.

Units occupied **entirely by full-time students** that do not meet one of the five allowed IRS exceptions, will not be allowed at move-in.

Utility Allowance Calculations will remain as outlined in Section 42 of the IRC.

Additional Low-Income Housing Use Period (1-22 years) remains in effect.

Owners Certification

I acknowledge that I have read the above summary of Post Year-15 Monitoring Procedures and Chapter 11 of the Tax Credit Compliance Procedures Manual, Post Year-15 Monitoring Procedures, and agree to abide by the requirements as outlined. I also understand that if approved, these changes constitute a temporary waiver to certain monitoring requirements outlined in the property Regulatory Agreement. I understand that these streamlined procedures and temporary waiver will remain in effect unless Commission staff determines that an event of Material Noncompliance has occurred.

_____	_____
Project Name	OID #
_____	_____
Signature	Title
_____	_____
Print Name	Date

Contact Phone Number	