OWNER'S ANNUAL CERTIFICATION OF COMPLIANCE
-Housing Credit/Section 1602 Exchange/TCAP Project-
-(Initial 15-Year Compliance Period and Income Average)-

To decrease costs for partners and KHC, the Owner's Annual Certification of Compliance is now required to be submitted through Tenant Data Collection System (TDCS). The electronic submission affects all affordable rental housing programs that are required to submit annual performance reports to Kentucky Housing's Compliance Department. This includes projects allocated Housing Credits and funding from the Section 1602, TCAP, Risk- Sharing, HOME Investment Partnerships, Small Multifamily Affordable Loan programs and Affordable Housing Trust Fund. Tenant data and the Annual Operating Expense Information are required to be submitted through Kentucky Housing Corporation's Tenant Data Collection System (TDCS).

Certification Dates:	From:	To:
Project Name:		Project No.:

CERTIFICATION

The undersigned, via electronic submission hereby certifies that the information presented herein is true and correct to the best of his/her knowledge and that he/she will, if requested, submit documentation in support of such statement. He/she further certifies UNDER PENALTY OF PERJURY that the project meets the requirement of Internal Revenue Code Section 42, including any U.S. Treasury regulations pursuant thereto, the Qualified Allocation Plan, American Recovery and Reinvestment Act, and other applicable laws, rules, regulations and ordinances.

Owner Information	
Name of Owner:	Taxpayer ID No.:
General Partner (if different from owner):	Taxpayer ID No.:
Owner's Address:	Owner Daytime Telephone No.:
City: State: Zip Code	Fax Number:
See Electronic Signature Authorization Form (current signed form by owner must be kept onsite)	E-mail Address:
Date Form Completed:	☐ Check if new address or phone

CURRENT - Management Company Information	
Name of Current Management Company:	Taxpayer ID No. of Company:
Name of Current Management Contact Person:	Daytime Telephone No.:
Current Management Agent's Address:	Fax Number:
City: State: Zip Code	E-mail Address:

A copy of the Management Agreement **MUST** be submitted if there has been a **CHANGE** since the previous Annual Performance Report. Failure to submit a copy of the Management Agreement may preclude KHC from releasing project information to the managing company.

☐ Check if Management Company change has occurred since the previous Annual Performance Report

☐ Check if new address or phone, if checked, please Update Tenant Data Certification System.

1. 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.
   ☐ 15-40 test for deep-rent-skewed projects under Sections 42(g)(4) and 142(d)(4)(B) of the Code

Read the following statements. If the property is in compliance with the requirement, check YES. If it is NOT in compliance, check NO. Each question **MUST** be answered, and an explanation provided for each NO answer. Do NOT answer Not Applicable for ANY questions except questions 4, 12, 14 or 17 (if applicable). **To mark a response box, double click on box and select "Default Value as Checked".**

2. There was **no change in the applicable fraction** (percent of low-income units) of any building in the project, as defined in Section 42(c)(1)(B) of the Code.

   ☐ NO CHANGE ☐ CHANGE, please provide information in box below.

Previous Year's Applicable Fraction: Current Year's Applicable Fraction:

3. The owner has received a Tenant Income Certification (TIC) from each low-income resident and documentation to support that certification at move-in and all subsequent annual certifications; or the owner has a recertification waiver letter in good standing from the IRS, received a TIC from each low-income resident and documentation to support the certification at their initial occupancy.

   ☐ YES ☐ NO, please provide an explanation in box below.

4. The owner has conducted an annual certification of each low-income resident in a consistent manner.

   ☐ YES ☐ NO, please provide an explanation inbox below.

   OR ☐ N/A due to H.R. 3221

5. If a household consisted of all full-time students, such households met one of the exceptions outlined in Section 42(i)(3)(D) of the Code that prohibits households occupied entirely by full-time students in a low-income housing credit property.

   ☐ YES ☐ NO, please provide an explanation in box below.

   OR ☐ Not Applicable

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

☐ YES ☐ NO, please provide an explanation inbox below.

7. All units in the project were for use by the general public and used on a non-transient basis, except for transitional housing for the homeless provided under Section 42(i)(3)(B)(iii) of the Code.

☐ YES ☐ NO, please provide an explanation in box below.

8. Each building and units therein the project was suitable for occupancy in accordance with Uniform Physical Condition Standards, taking into account local health, safety and building codes (or other habitability standards) and the state or local government unit responsible for making building code inspections did not issue a report of a violation for any building or low income unit in the project.

☐ YES ☐ NO

If "NO", submit a copy of the violation report and any documentation of correction.

9. There has been **no change in the eligible basis** of any building in the project, as defined in Section 42(d) of the Code.

☐ NO CHANGE ☐ CHANGE

If "CHANGE" selected, please provide a description of the change (e.g., a common area has become commercial space, or a fee is now charged for the tenant facility formerly provided without charge) in the box below.

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

☐ YES ☐ NO, please provide an explanation in box below.

11. If a low-income unit in the project became vacant during the year, reasonable attempts were or are being made to rent that unit or the next available unit of comparable or smaller size to tenants who have a qualifying income before any units were or will be rented to tenants who do not have a qualifying income.

☐ YES ☐ NO, please provide an explanation in box below.

12. If the income of tenants of a low-income unit in the building increased above the limit allowed in Section 42(g)(2)(D)(ii) of the Code, the next available unit of comparable or smaller size in that building was or will be rented to tenants with a qualifying income.

☐ YES ☐ NO, please provide an explanation in box below.

13. An extended low-income housing commitment as described in Section 42(h)(6) of the Code was in effect. The commitment included the requirement under Section 42(h)(6)(B)(iv) of the Code which states that an owner cannot refuse to lease a unit in the project to an applicant because the applicant holds a voucher or certificate of eligibility under Section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f). The owner has not refused to lease a unit to an applicant based solely on their status as a holder of a Section 8 voucher and the project otherwise meets the provisions, including any special provisions, as outlined in the extended low-income housing commitment.

☐ YES ☐ NO, please provide an explanation inbox below.

OR ☐ Not Applicable (Pre-1990 projects only)

14. The owner certifies that there have been no eviction(s) or termination(s) of tenancy of an existing tenant of any low-income unit other than for good cause and no tenant has had an increase in the gross rent with respect to a low-income unit not otherwise permitted under Section 42 or the LURA (as prohibited under Section 42(h)(6)(E)(ii)(I) and (II)).

☐ YES ☐ NO, please provide an explanation in box below.

15. If the project is financed by Rural Housing Services (RHS) (formerly Farmers Home Administration [FMHA]) under the Section 515 Program, the owner certifies that the records provided to RHS concerning tenant income and rental payments are accurate, and that the building complies with ALL of the requirements for RHS assistance.

☐ YES ☐ NO, please provide an explanation in box below.

OR ☐ Not Applicable (Project is not RHS financed)

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

☐ NO FINDING ☐ FINDING

If "FINDING" checked, submit a copy of the violation report and any documentation of correction.

17. The owner certifies that the project has continued to operate in a manner consistent with the Tenant Selection Plan, Affirmative Marketing Plan, and Fair Housing law.

☐ YES ☐ NO, please provide an explanation in box below.

18. The owner and all primary parties to the project (management company) have submitted the required annual reports and fees to the Secretary of State's office in order to be considered active and in good standing.

☐ YES ☐ NO, please provide an explanation in box below.

19. If the project provided temporary occupancy to displaced households as a result of Hurricane Katrina, the owner certifies that all provisions as required under IRS Notice 2005-69 have been met.

☐ YES ☐ NO, please provide an explanation in the box below.

OR Not Applicable (Project did not utilize waiver)

20. The property is in compliance with the Violence Against Women Act requirements and all related implementing regulations providing protections for residents and applicants who are victims of domestic violence, dating violence, sexual assault, and/or stalking.

☐ True ☐ False If "False," attach an explanation and the supporting documentation.

21. Is project adhering to the Uniform Residential Landlord and Tenant Act (URLTA)

☐ YES ☐ NO, please provide an explanation in the box below.

22. The owner received its credit allocation from the portion of the state ceiling set-aside for a project involving "qualified nonprofit organizations" under IRC Section 42(h)(5).

☐ YES ☐ NO If "NO", do not complete the next question.

The nonprofit organization participating in this project is an organization recognized by the Internal Revenue Service as a 501(c)(3) or 501(c)(4) organization and is validly existing and in good standing under the laws of the Commonwealth of Kentucky. The nonprofit is not affiliated with or controlled by any for-profit entity and one of the exempt purposes of the nonprofit includes the fostering of low-income housing. The nonprofit has an ownership interest in the project and has met the criteria defined as material participation in Section 469(h), and the owner has maintained documentation to support compliance.

☐ YES ☐ NO, please provide an explanation in the box below.

Check the appropriate criteria met by the nonprofit:

Name of Nonprofit:_____

Nonprofit Taxpayer ID No.:_____

- ☐ Nonprofit participates in the activity for more than 500 hours during the tax year.
- ☐ Nonprofit's participation constitutes substantially all of the participation in the activity of all individuals (including non-owners) for the tax year.
- ☐ Nonprofit participates in the activity for more than 100 hours during the tax year, and its participation is not less than the participation of any other taxpayer for such year.
- ☐ Nonprofit activity is a significant participation activity for the tax year, and the taxpayer's participation in all significant participation activities during the year exceeds 500 hours. A significant participation activity is one in which the taxpayer has more than 100 hours of participation during the tax year but fails to satisfy any other test for material participation.
- ☐ The nonprofit materially participated in the activity for any five of the ten tax years immediately proceeding the year in question.
- ☐ Based on all facts and circumstances, the nonprofit participates in the activity on a regular, continuous and substantial basis during the tax year. To satisfy the facts-and-circumstances test, a nonprofit must participate in an activity for more than 100 hours. The nonprofit's management services are not taken into account unless no other individual is compensated for management services and no other individual performs management services exceeding the hourly total of such services performed by the nonprofit.

SPECIAL NEEDS SET-ASIDE PROJECTS:

23. Was the allocation of credit based upon the set-aside of units to a targeted special needs population?

☐ YES ☐ NO If No, do not complete the next question

If yes, please identify the targeted special needs population being served.

Check all that apply:

☐	Severe Mental Illness	☐	Traumatic Brain Injury
☐	Mental Retardation	☐	Physical Disability
☐	Substance Addiction	☐	Victim of Domestic Violence
☐	HIV/AIDS	☐	Other (Specify):

Has there been a change from the original application in the targeted special needs population being served?

☐ YES ☐ NO If No, do not complete the next step.

If yes, please submit a paper copy with the monitoring fees or electronically (pdf-format) with the APR email, of the Kentucky Housing Corporation written approval for the change in the targeted special needs population to be served by this project.