

Kentucky Housing Corporation
Compliance Monitoring Fee Schedule
Housing Credit Program and Risk Sharing

The Annual Performance Packet consists of ALL the following items submitted and received at KHC by April 1st:

- Completed Owner’s Annual Certification of Compliance (all funding sources)
- Annual Operating Expenses / Income and Rental Rate Information. Budget report is not a current requirement unless requested by KHC staff.
- **Tenant Data Certification System (TDCS)** – Updated with all current resident information
- Online-payment of fees in full no later than April 1st. **Checks will no longer be accepted without prior written consent from KHC. Request for submission of a check will need to be submitted by email to Aaron Watkins at awatkins@kyhousing.org prior to April 1. Should this request be approved, there will be a check processing fee of \$25.00 per property per check added with the APR fees. When submitting a check, printed invoice from TDCS must be included.**

**** Failure to submit any of these items or update TDCS by April 1 will result in late fees assessed to the project. See information on page two regarding late fees.**

Annual Monitoring Fee Schedule:

Funding Type	Initial Reporting Year	Years 2-15	Years 16-30
RHS Section 515/Housing Credit	\$50 per unit	\$50 per unit	\$35 per unit
RHS Section 515 Blended (HOME, AHTF, NHTF, RD 538, etc.)	\$50 per unit	\$50 per unit	\$35 per unit
Non-RHS	\$50 per unit	\$50 per unit	\$35 per unit
NEW – Average Income Set Aside per 8609	\$60 per unit	\$60 per unit	\$60 per unit
Risk Share ONLY (determined by mortgage term)	\$50 per unit	\$50 per unit	\$50 per unit
Risk Share combined with Housing Credit	\$50 per unit	\$50 per unit	\$50 per unit

American Recovery and Reinvestment Act of 2009 (ARRA) Project(s) – Asset Management (AM) Monitoring Fee:

- Annual Monitoring Fee does not apply to Section 1602 Exchange and/or TCAP due to the pre-established Management Fee Escrow accounts.
- However, late submission of the electronic APR packet (Owner's Annual Certification of Compliance and Annual Operating Expense Information) will be assessed the late fee that will be deducted from the project's Management Fee Escrow account.

APR Late Fee:

All properties that have submitted **an incomplete** Annual Performance Certification Packet by April 1st will be assessed a **\$25.00 per unit late fee**. An additional **\$25.00 per unit late fee** will be assessed if the Annual Performance Packet has not been received within 90 days (June 30) of the deadline.

KHC reserves the right to NOT cap the late fee assessment. KHC will consider if a project has demonstrated a pattern of late submittals when determining if the late fee should have a maximum cap.

Additional Fee(s)

(Applicable to All Rental Programs)

Follow-up Compliance Review or Physical Inspection Fee

- **\$500.00** per project visit

A follow-up or physical inspection fee will be assessed to a project if a KHC Compliance Officer or Inspector must reschedule a follow-up unit and/or site inspection for the following reasons:

- Selected unit(s) were not able to be accessed during scheduled review time,
- Tenants were not provided proper notification to allow entrance to the unit for inspection by KHC staff,
- Owner / property manager failed to meet KHC staff at property on the day of the confirmed compliance review, and
- Any other reason by fault of the owner / property management company that would cause KHC staff to have to reschedule required reviews/inspections.

(New Fee**) Correctly updating the Tenant Data Certification System (TDCS)**

- **\$500** for 1st infraction / Capacity Deduction for infractions thereafter

It is a requirement for all properties to ensure the Tenant Data Certification System (TDCS) is fully updated at least once every 30-days. Failure to update TDCS will result in this penalty fee to the property. If it is found that a property fails to update TDCS on a regular basis, a Capacity Deduction will be issued to that property.

Qualified Contract Request Fees (Housing Credits only):

Owners requesting a Qualified Contract must submit a \$3,500 non-refundable administration fee with the request. If additional third-party reports are required by a potential buyer or KHC, the Qualified Contract process may be suspended during the time needed to prepare the reports. The cost of the additional reports will be at the expense of the property owner. All payments for service must be made within a timely manner. Non-cooperation by the property owner to respond to reasonable third-party report requests by KHC or a potential buyer will lead to the termination of the Qualified Contract process.

Non-cooperation or excessive delays by the property owner on any issues of the Qualified Contract process will also result in the termination of the process and will result in the owner being required to comply with the property low-income usage requirement for the remaining extended use period.

Change in Ownership Fee:

- \$100 per affordable housing unit/Housing Credit unit up to a maximum of \$2,500

Note: Any type of change in ownership control, either complete change in Ownership Entity or change in entities that form the GP, will result in this fee. For Housing Credit projects in which the limited partner is removing the GP due to poor performance, KHC reserves the right to waive this fee. In addition, KHC reserves the right to waive this fee if it presents a financial hardship to an assuming nonprofit. This fee does not apply to changes in the Limited Partner.

Change in the Project Design Fee:

- \$100 per affordable housing unit up to a maximum of \$2,500

This fee will be charged if an owner requests a change to a significant project design element that was originally pledged in the funding application and/or for which points were awarded. The fee must be paid at the time of the request and is not refundable. The fee primarily covers staff research and analysis which are required regardless of rejection or approval of the request.

This fee is normally not applicable to temporary waiver requests on such set asides as homeless units or units set aside for special needs population. However, KHC reserves the right to require fees in these cases if researching and/or granting such a request requires significant staff time.

Those considering making a design change request are welcome to discuss this with their KHC Portfolio Analyst in the Asset Management Department. All such conversations are preliminary with no guarantees, but the Analyst may be able to provide insight to help the potential applicant decide whether or not they wish to submit a request and pay the fee.

LIHTC Single Unit Sale to Eligible Homebuyer

In certain circumstances, regulations and KHC policy allow the sale of a single LIHTC unit to an income qualified homebuyer. **Fees required in this process are:**

- \$250 per request to sell a specific LIHTC unit to a specific qualified homebuyer.
- \$100 per request for approval to market a specific unit directly to qualified homebuyers rather than a current tenant.
- \$100 per request to extend the approved timeframe for direct marketing of a specific unit.
- \$500 per unit - Physical Inspection

