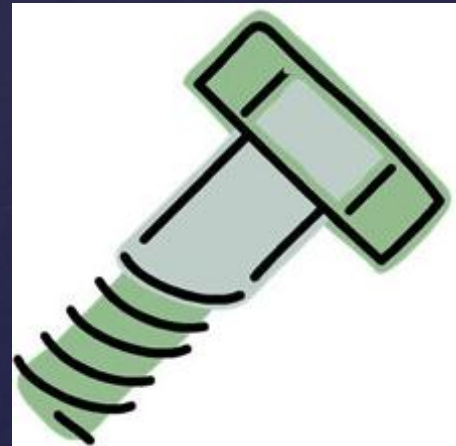


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Nuts and Bolts of Tax Credit Compliance

{ Developer Edition



You're going to pay for Compliance...
and it's always cheaper on the
front end!



When to get your Property Management Team Involved?



At the Very Beginning...

What can Property Management do for your Project before it's ready to lease?

- Assist with your Tax Credit Application
- Assistance with your Pro-Forma
- Assistance with a viable PUPA
- Design Input
- Utility Allowance Input

What we need to know and when we need to know it.

- Unit Mix and AMI Assignments

- All Sources of Funding – In Particular HOME & NSP

- HOME Funds require additional paperwork!
- HOME units cannot be self-certified every year like LIHTC
- HOME units may require a lower rent based on the HUD HOME Rent limits:

	Efficiency	1 bedroom	2 bedrooms	3 bedrooms	4 bedrooms
Low HOME	\$661	\$744	\$892	\$1031	\$1150
High HOME	\$661	\$773	\$985	\$1307	\$1438
50% LIHTC	\$681	\$730	\$876	\$1011	\$1128
60% LIHTC	\$817	\$876	\$1051	\$1214	\$1354

Other things you should know about HOME and NSP:

UNIFORM RELOCATION ACT

- Payment of Tenant Relocation for Temporary moves
 - Includes moving expenses as dictated by HUD schedule
- Payment of Tenant Relocation if overqualified!
 - You will pay the tenant the difference between their rent now, and their new rent for a total of 42 months.



Have you budgeted for this?



What we need to know and when we need to know it. (cont'd)

- Dates
 - Groundbreaking Ceremony
 - Project Completion
 - Qualified Occupancy
- Your Financial Goals
- Permanent Financing



The Lease Up - Staff

Your Leasing Team should consist of:

- ✓ Project Manager
- ✓ Property Manager
- ✓ Lease Up Team
- ✓ Compliance
- ✓ Maintenance



The Lease up – Build it and they won't necessarily come!

Marketing:

- Ground Breaking – Your best opportunity for Marketing!
- Brochures
- Website
- Interest List

Occupancy:

- 60 Days from CO – It's Application time!
- Move the tenants in
- Meet Qualified Occupancy





Compliance Costs



Compliance isn't cheap! So what costs does it bring that you might not think of?

- Office Supplies
 - 4-6 part File Folders
 - Paper
 - Office Equipment
 - Document Storage
- Staff
 - Good Staff is hard to come by
 - Compliance Consultant

Project Completion!



Congratulations! Your project is complete!
Now it's up to us – the Property Management Company
to protect your assets!