



American Samoa File Compliance



The Recommended Forms
and Common Mistakes

These are **RECOMMENDED!**

- We highly recommend that you use these forms.
 - They can be found at the Hawaii Section of the Spectrum website www.spectrumlihtc.com

TENANT FILE SET-UP

- Move-in certification
- Third party verifications
- Annual self certifications
- Lease and addendums
- Rent card
- Unit inspection form
- Utility allowance
- Original tenant application and interview



Completing the Application for Housing

Dos and Don'ts – Mostly Don'ts

Please Print Clearly

This is an application for housing at:	Project:
	Address:
Please complete this application and return to:	Name:
	Address:
	Where do you want the application returned?

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

Applicant Name(s): _____

Address: _____
Street Apt.# City State ZIP

Daytime Phone: _____ Evening Phone: _____

No. of BR's in current unit: _____ **If they own, think: "asset."**
Do you RENT or OWN (check one)

Amount of current monthly rental or mortgage payment: \$ _____ **Will they be able to afford your rent?**

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

Does this make sense, considering the number of household members listed?

**All household members
Must be listed.**

B. HOUSEHOLD COMPOSITION

	Name	Relationship to head	Birth Date	Age (optional)	SS#	Student Y/N
Head						
Co-T						
3.						
4.						
5.						
6.						
7.						
8.						

Have there been any changes in household composition in the last twelve months? Yes No

If yes, explain: **Divorce, separation? This could point toward sources of income.**

Do you anticipate any changes in household composition in the next twelve months? Yes No

If yes, explain:

If yes, information for additional people must be verified.

If all household members are students (including children), one of these exceptions must be met. Otherwise, they are not eligible.

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? Get the 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? Publicly funded job training.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are any full-time student(s) a TANF or a title IV recipient? Welfare	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are any full-time student(s) a single parent living with his/her minor child who is not a Dependant on another's tax return and whose children are not dependents of anyone other than a parent? Get the return.	<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

C. INCOME

Blank does not mean "no". It means "not answered."

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
	Social Security	\$
	Social Security	\$
	Social Security	\$
	Social Security	\$
	SSI Benefits	\$
	SSI Benefits	\$
	SSI Benefits	\$
	SSI Benefits	\$
	Pension (list source)	\$
	Pension (list source)	\$
	Pension (list source)	\$
A claim number will make it easier.	Veteran's Benefits (list claim #)	\$
	Veteran's Benefits (list claim #)	\$

Will they still be getting unemployment at move-in?

Federal stimulus is counted, too.

	Unemployment Compensation	\$
	Unemployment Compensation	\$
Welfare	Title IV/TANF	\$
	Title IV/TANF	\$
	Contributions to the Household (monetary or not)	\$
	“Monetary or not”	
	Full-Time Student Income (18 & Over Only)	\$
	Full-Time Student Income (18 & Over Only)	\$
	Some financial aid is income.	
	Interest Income (source)	\$
	Interest Income (source)	\$
	Interest Income (source)	\$
	Long Term Medical Care Insurance Payments in excess of \$180/day	\$

Household Member Name	Source of Income	Monthly Amount
(Redundancy trimmed for space.)	Employment amount	\$
	Employer:	
	Position Held	
	How long employed:	
Legally entitled = court ordered.	Alimony	
	Are you <i>legally entitled</i> to receive alimony?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If yes, list the amount you are <i>entitled</i> to receive.	\$
	Do you receive alimony?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If yes list amount you receive.	\$
Same here. Just having a child does not automatically entitle a person to child support.	Child Support	
	Are you <i>legally entitled</i> to receive child support?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If yes list the amount you are <i>entitled</i> to receive.	\$
	Do you receive child support?	<input type="checkbox"/> Yes <input type="checkbox"/> No
	If yes, list the amount you receive.	\$
	Other Income	\$
	Other Income	\$
	Other Income	\$

<i>TOTAL GROSS ANNUAL INCOME</i> (Based on the monthly amounts listed above x 12)	\$	
TOTAL GROSS ANNUAL INCOME FROM PREVIOUS YEAR	\$	
Do you anticipate any changes in this income in the next 12 months?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Is any member of the household legally entitled to receive income assistance?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
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
If yes to any of the above, explain:		
“Monetary or not” is any regular contribution or gift (cigarettes, gas, diapers, utility bills, etc.).		
Is the income received?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

D. ASSETS

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.

Checking Accounts	#	Bank	Balance \$
	#	Bank	Balance \$
	#	Bank	Balance \$
Savings Accounts	#	Bank	Balance \$
	#	Bank	Balance \$
	#	Bank	Balance \$
Trust Account	#	Bank	Balance \$
Certificates CDs	#	Bank	Balance \$
	#	Bank	Balance \$
	#	Bank	Balance \$
	#	Bank	Balance \$
Credit Union	#	Bank	Balance \$
	#	Bank	Balance \$

Savings Bonds	#	Maturity Date	Value \$	
	#	Maturity Date	Value \$	
	#	Maturity Date	Value \$	
	http://www.treasurydirect.gov/BC/SBCPrice			
Life Insurance Policy	#	# Whole or term?	Cash Value \$	
Life Insurance Policy	#		Cash Value \$	
Dividends = income, even if re-invested.				
Mutual Funds	Name:	#Shares:	Interest or Dividend \$	Value \$
	Name:	#Shares:	Interest or Dividend \$	Value \$
	Name:	#Shares:	Interest or Dividend \$	Value \$
Dividends = income				
Stocks	Name:	#Shares:	Dividend Paid \$	Value \$
	Name:	#Shares:	Dividend Paid \$	Value \$
	Name:	#Shares:	Dividend Paid \$	Value \$
Dividends = income				
Bonds	Name:	#Shares:	Interest or Dividend \$	Value \$
	Name:	#Shares:	Interest or Dividend \$	Value \$
Investment Property				Appraised Value \$

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> If they owned on page 1, they must own here.	
Location of property	
Appraised Market Value	\$
Mortgage or outstanding loans balance due	\$
Amount of annual insurance premium	\$
Amount of most recent tax bill	\$

Does any member of the household have an asset(s) owned jointly with a person who is NOT a member of the household as listed on Page 2?	<input type="checkbox"/> Yes <input type="checkbox"/> No
<i>If yes, describe:</i> Generally, you count only the portion of a joint asset that belongs to the applicant.	
A good question is “who pays taxes on the interest.”	
Do they have access to the asset(s)?	<input type="checkbox"/> Yes <input type="checkbox"/> No

Have you sold/disposed of any property in the last 2 years?	<input type="checkbox"/> Yes <input type="checkbox"/> No
<i>If yes</i> , Type of property: If for less than fair market value, it's still an asset for 2 years.	
Market value when sold/disposed Includes money given to children/grandchildren.	\$
Amount sold/disposed for	\$
Date of transaction: If the money isn't in a bank account, etc., where did it go?	

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</i> , describe the asset:	
Date of disposition:	
Amount disposed	\$

Do you have any other assets not listed above (excluding personal property)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
<i>If yes</i> , please list:	

E. ADDITIONAL INFORMATION

Are you or any member of your family currently using an illegal substance?

Yes

No

Have you or any member of your family ever been convicted of a felony?

Yes

No

If yes, describe: **Do you want drug users or convicted felons living on your property?
Have a clear policy in your tenant selection criteria.**

Have you or any member of your family ever been evicted from any housing?

Yes

No

If yes, describe

Have you ever filed for bankruptcy?

Yes

No

If yes, describe

Will you take an apartment when one is available?

Yes

No

Briefly describe your reasons for applying:

Some redundancy has been cut here. **F. REFERENCE INFORMATION**

Current Landlord	Name:	If they rented on Page 1, there should be info here.
	Address:	Everyone knows where they send rent checks.
	Home Phone:	
	Bus. Phone:	
	How Long?	If this is blank, but they say they rented, where do they live?
Credit Reference #1: Do you check credit/landlord references? Do you reject based on them?		
Address: Have a clear policy in your tenant selection criteria.		
Account #:		Phone #:
In case of emergency notify:		
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. **Will a household of 1 need 3 parking places?**

Type of Vehicle:	License Plate #:		
Year/Make:	Color:		
Type of Vehicle:	License Plate #:		
Year/Make:	Color:		
Do you own any pets?	Assistance animals are not pets.	Yes	No
<i>If yes, describe:</i>			

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 application.

SIGNATURE (S):

All adults (age 18+) must sign.

If signatures are current, this is a back-up affidavit.

(Signature of Tenant)

Date

(Signature of Co-Tenant)

Date

(Signature of Co-Tenant)

Date

(Signature of Co-Tenant)

Date

Application and Initial Screening

- When first reviewing the application, always check for inconsistent answers.
 - Does income & asset information make sense?
 - Does the applicant say “no assets,” but pay the application fee with a personal check or have direct deposit for pay checks?
 - This can be your first indication of tenant fraud. If an applicant was untruthful on their application, you do not have to rent to them – it’s asking for trouble!
 - Don’t confuse tenant fraud with a simple mistake. If someone has 7 bank accounts, it is possible that they may accidentally list only 6.

Application and Initial Screening

- You want your application to be as current as possible to move-in.
 - This way, you know that you're verifying up-to-date information.
 - Applications that are signed by all adults can be used as back-up affidavits if they are less than 120 days old at time of move-in.
 - A face-to-face interview is a good idea prior to moving a household in, even if the application is current.
- If the application is more than 120 days old, an interview checklist must be completed.

Interview Checklist

Did They *Really* Mean It
on the Application?

Application and Initial Screening

- Tenant interviews should be conducted with you reading the questions and noting the answers.
 - Do not let one applicant speak for everyone. Get an answer from all adults who will be living in the unit.
 - This includes 18-year olds.
 - Compare the answers against the application. Discrepancies must be clarified in writing.

INTERVIEW CHECKLIST

Complex Code _____

Date _____

A personal interview is required in order to process an applicant for tenancy. This interview checklist will be used with all applicants to go over the application. All questions will be asked during the interview with the applicant(s) required to sign this form at the end of the interview.

This application is listed with _____ As head of household.

Is that correct? Yes No

Is this different from the Application?

	Name	Relationship to head	Birth Date	Age (optional)	Student Y/N
Head					
Co-T	Everyone should be listed				
3.	Is there anyone new?				
4.					
5.					
6.					
7.					
8.					

Have there been any changes in household composition in the last twelve months? Yes No

If yes, explain: **Birth, divorce, separation, etc. Same as Application**

Do you anticipate any changes in household composition in the next twelve months? Yes No

If yes, explain:

Getting complete household information is key to compliance!

Is this the entire household to occupy the unit? Yes No

If no, please explain: _____

As site/resident manager, I am making you aware that no one else can join the household without prior management approval. Do you understand this clearly? Yes No

Do you understand that if we discover during the verification process that others will be living in your household not listed on the application or on this interview checklist that is grounds to cancel your application? Yes No

Will all of the persons in the household be or have been full time students during five calendar months of this calendar year, or the upcoming calendar year at an educational institution (other than a correspondence school) with regular faculty and students?

Yes No

Remember, student status goes backward in time, too!

We'll spend more time on student status later today.

At least one must be answered "yes."

Are any full-time student(s) married and filing a joint tax return? Get the 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? Publicly funded job training.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are any full-time student(s) a TANF or a title IV recipient? Welfare	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Are any full-time student(s) a single parent living with his/her minor child who is not a Dependant on another's tax return and whose children are not dependents of anyone other than a parent? Get the return.	<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

The student status rules can be confusing, but understanding them is key to being in compliance!

To be clear in regard to government definitions, we will now go over a checklist of household income and assets. Please answer yes or no to the following and if yes, provide the amounts. Do you or any family member have income from:

Social Security?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	\$
SSI?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	\$
Pension/Annuity?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	\$
Veterans Benefits?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	\$
Disability?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	\$
Unemployment?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	\$
Workman's Comp?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	\$
TANF/Public Assistance?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	\$
Employment?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	\$
Do you receive Alimony?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	\$
Are you entitled to receive Alimony?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	\$
Do you receive Child Support?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	\$
Are you entitled to receive Child Support?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	\$
Military Pay?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	\$
Net Income from Business?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	\$
Contributions (monetary or not) from Friends/Relatives/Etc?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	\$
Income from Assets?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	\$
Other Income?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	\$
Long Term Medical Care Insurance Payments in excess of \$180/day	<input type="checkbox"/> Yes	<input type="checkbox"/> No	\$
**Grants or Scholarships?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	\$

Answer everything.

Blanks do not mean "no"

"Monetary or not"

[**Not included in calculating income, but may aid management in determining student status as well as financial ability to pay rent.]

Do you file Income Tax returns? Yes No

**If income is significantly different
from last year, find out why.**

Please list total household income for previous year. \$ _____

If this differs from current year, please explain: _____

**These questions are important, since we're
trying to project 12 months into the future.**

Is any member of the household likely to receive income or assistance from someone who is not a member of the household as listed on Page 2? Yes No

If yes, please explain: _____

Is any member of the household expecting any changes to their current income information in the next months (seeking employment, child support, expecting a promotion etc)? Yes No

If yes, please explain: _____

Do you or a family member have any of the following assets?

Checking Accounts	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Savings Accounts	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Certificates of Deposit	<input type="checkbox"/> Yes	<input type="checkbox"/> No
IRA	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Other Retirement Funds	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Stocks or Bonds	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Mutual Funds	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Trust Accounts	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Life Insurance	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Real Estate	<input type="checkbox"/> Yes	<input type="checkbox"/> No

If Real Estate is owned, is it for sale? Yes No Rented? Yes No Sold? Yes No

Does anyone hold any personal property as an investment (antique cars, jewelry, coins, etc.) Yes No

Please explain: _____

Other Current Assets (Cash, etc.?) Yes No

Please explain: _____

Have any assets been disposed of within the past two years? Yes No

Please explain if any of the above assets are, or have been, held jointly:

Does any member of the household have an asset(s) owned jointly with a person who is NOT a member of the household as listed on page 2? Yes No **If "joint," who pays the taxes on interest, etc.?**

If yes, describe: _____

Compare income sources and amounts listed on the application to those listed on this interview and clarify any differences.

Compare asset sources and amounts listed on the application to those listed on this interview and clarify any differences.

Application and Initial Screening

- Any significant difference between the application and the interview checklist will need to be researched, clarified, and documented.
 - Did assets appear or disappear?
 - Are there different people listed as household members?
 - Do they both “rent” and “own”?
 - Were there changes in student status?

Application and Initial Screening

- Questions to ask yourself based on the Application and Interview Checklist:
 - Will they meet income restriction requirements?
 - Will they be able to afford your rent?
 - This is less of a concern if your units are subsidized (RD 515, Section 8, etc.)
 - Will they be eligible based on student status?
 - **Clarification is key to avoiding noncompliance, so don't be afraid to ask more questions if anything seems inconsistent.**
 - **Are the answers on the Application and Interview Checklist consistent?**



Verification Forms and Procedures

Did You Get Everything
You Need To Know?

Verification Procedures

- Verifications are good for 120 days from the date you receive them.
- Anything more than 120 days old is out-dated and cannot be used.
 - You'll have to re-verify the information.
- **“The applicant or tenant should never hand-carry the verification to or from the third-party source.”**

Verification Procedures

- **Blanks do not mean “no.”**
 - As with the application, a blank is considered an unanswered question.
 - Consider attaching a cover letter to verifications instructing the source to answer “none” or “n/a.”
 - If a verification is returned with blanks, you will need to contact the source to get an answer.
 - Assuming that a blank on overtime means “no overtime” can result in moving in an ineligible household.
 - Document answers on a separate form. You should not alter a verification in any way after it is received.

Employee Name: _____ Job Title: **Remember, some positions get tips, etc.** _____

Presently Employed: Yes _____ Date First Employed _____ No _____ Last Day of Employment **Still working there?** _____

Current Wages/Salary: \$ _____ (circle one) hourly weekly bi-weekly semi-monthly monthly yearly other _____

Average # of regular hours per week: _____ Year-to-date earnings: \$ **Agree w/ wages?** through ____/____/____

Overtime Rate: \$ _____ per hour Average # of overtime hours per week: _____

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

Commissions, bonuses, tips, other: \$ _____ (circle one) hourly weekly bi-weekly semi-monthly monthly yearly other _____

List any anticipated change in the employee's rate of pay within the next 12 months: _____; Effective date: _____

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

Additional remarks: _____

Is the handwriting/ink here different than on the rest of the form?

Employer's Signature

Employer's Printed Name

Date

Is this where you sent it? If not, clarify.

Employer [Company] Name and Address

Verification Procedures

- Things to Look For:
 - Is YTD information different from the other listed information (wages, OT, etc.)?
 - If a household has earned \$20,000 as of July 1, but the wage listed is \$10.00/hour you'll need clarification from the employer.
 - Are all questions answered?
 - If you can't get complete information, do not move them in. They haven't proven eligibility.
 - It's a good idea to get pay stubs in addition to the 3rd party verification.

Verification Procedures

- More things to keep in mind:
 - According to HUD, sources such as The Work Number, Verifax, etc., “does not replace third-party verification.” If you are referred to these sources by the employer, make sure to get pay stubs, too!

Verification Procedures

- If an adult (remember, anyone 18 or older) has zero income, you must document this.
 - A Certification of Zero Income helps to clarify sources of income an applicant may not consider.
 - This is documentation that can help prove tenant fraud if the household is found to be ineligible.
- Zero income *for the household* is very rare.
 - If a household claims to have zero income household but pays *anything* for rent or utilities, you can expect SPECTRUM and DBAS to ask several questions.
 - It is appropriate (and recommended) to ask specifically how people will pay for things like insurance, gasoline, cigarettes, clothing, etc. Don't be afraid to ask and always document answers!

CERTIFICATION OF ZERO INCOME

(To be completed by adult household members only, if appropriate.)

Household Name: **“Adult” means 18 or older, including dependants** _____ Unit No. _____

Development Name: _____ City: _____

1. I hereby certify that I do not individually receive income from any of the following sources:
 - a. Wages from employment (including commissions, tips, bonuses, fees, etc.);
 - b. Income from operation of a business;
 - 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; **Includes welfare (TANF), state assistance, etc.**
 - h. Periodic allowances such as alimony, child support, or gifts received from persons not living in my household;
 - i. Sales from self-employed resources (Avon, Mary Kay, Shaklee, etc.);
 - j. Any other source not named above.

2. I currently have no income of any kind and there is no imminent change expected in my financial status or employment status during the next 12 months.

If they say “it’s not going to change” and then they’re working the next week, this will help demonstrate tenant fraud.

3. I will be using the following sources of funds to pay for rent and other necessities: _____

Get an answer here! If there’s help from friends/family/etc., this is income (“regular contributions, monetary or not”).

Under penalty of perjury, I certify that the information presented in this certification is true and accurate to the best of my knowledge. The undersigned further understand(s) 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

Printed Name of Applicant/Tenant

Date

Verification Procedures

- Student status is arguably the most confusing aspect of LIHTC eligibility.
 - When is student status an issue?
 - ONLY if everyone in the household is a full-time student.
 - This includes minor children. Grades 1-12 are full-time students. Kindergarten is full-time in some localities.
 - But remember that it is *everyone* in the household.
 - If one person is a part-time student or is not a student at all, the household is eligible.

Verification Procedures

- How do you document part-time vs. full-time student status?
 - For elementary through high school, it is assumed to be full-time, per state law.
 - For post-secondary education:
 - A third party verification sent to the school
 - Copies of course schedules
 - In some cases, billing documentation from the school can also indicate part-time or full-time schedules.

Verification Procedures

- A time-saving tip:
 - If assets for the *household* total less than \$5,000, the IRS allows a signed statement stating this, so long as it also addresses income from assets.
 - In other words, you don't necessarily have to verify assets individually.
 - Most other housing programs (bonds, HOME, RD 515, etc.) do not allow this. Know your other program requirements.

UNDER \$5,000 ASSET CERTIFICATION

For households whose combined net assets do not exceed \$5,000.
Complete only one form per household; include assets of children.

Household Name: _____ Unit No. _____

Development Name: _____ City: _____

Complete all that apply for 1 through 4:

An answer in every blank....blanks do not mean "no!"
Use "N/A" or a line through - not "0" - for assets a household does not have.

1. My/our assets include:

(A) Cash Value*	(B) Int. Rate	(A+B) Annual Income	Source	(A) Cash Value*	(B) Int. Rate	(A+B) Annual Income	Source
\$ _____	_____	\$ _____	Savings Account	\$ _____	_____	\$ _____	Checking Account
\$ _____	_____	\$ _____	Cash on Hand	\$ _____	_____	\$ _____	Safety Deposit Box
\$ _____	_____	\$ _____	Certificates of Deposit	\$ _____	_____	\$ _____	Money market funds
\$ _____	_____	\$ _____	Stocks	\$ _____	_____	\$ _____	Bonds
\$ _____	_____	\$ _____	IRA Accounts	\$ _____	_____	\$ _____	401K Accounts
\$ _____	_____	\$ _____	Keogh Accounts	\$ _____	_____	\$ _____	Trust Funds
\$ _____	_____	\$ _____	Equity in real estate	\$ _____	_____	\$ _____	Land Contracts
\$ _____	_____	\$ _____	Lump Sum Receipts	\$ _____	_____	\$ _____	Capital investments
\$ _____	_____	\$ _____	Life Insurance Policies (excluding Term)				
\$ _____	_____	\$ _____	Other Retirement/Pension Funds not named above:				
\$ _____	_____	\$ _____	Personal property held as an investment** :				_____
\$ _____	_____	\$ _____	Other (list):				_____

Make sure answers agree with
application and interview checklist.

PLEASE NOTE: Certain funds (e.g., Retirement, Pension, Trust) may or may not be (fully) accessible to you. Include only those amounts which are.

*Cash value is defined as market value minus the cost of converting the asset to cash, such as broker's fees, settlement costs, outstanding loans, early withdrawal penalties, etc.

**Personal property held as an investment may include, but is not limited to, gem or coin collections, art, antique cars, etc. Do not include necessary personal property such as, but not necessarily limited to, household furniture, daily-use autos, clothing, assets of an active business, or special equipment for use by the disabled.

2. Within the past two (2) years, I/we have sold or given away assets (including cash, real estate, etc.) for more than \$1,000 below their fair market value (FMV). Those amounts* are included above and are equal to a total of: \$ _____ (*the difference between FMV and the amount received, for each asset on which this occurred).

Questions 2 and 3 are about disposed assets. One – and only one – must be answered

3. I/we have not sold or given away assets (including cash, real estate, etc.) for less than fair market value during the past two (2) years. **If they check both 2 and 3, they said they both did and did not!**

4. I/we do not have any assets at this time. **If any assets are listed at the top of the form, they cannot accurately check this.**

The net family assets (as defined in 24 CFR 813.102) above do not exceed \$5,000 and the annual income from the net family assets is \$ _____. This amount is included in total gross annual income.

Get an answer here. If you don't, you haven't met the minimum IRS requirements.

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 understand(s) that providing false representations herein constitutes an act of fraud. False, misleading or incomplete information may result in the termination of a lease agreement.

Remember, one form per household, not per tenant. All adults will need to sign this.

Applicant/Tenant

Date

Applicant/Tenant

Date

Verification Procedures

- If there are discrepancies between the Application, etc., and the verified information, ask more questions and document answers.
- If a tenant says “no assets” but pays the application fee, security deposit, etc., with a check or has direct deposit, ask more questions.
- If someone will not provide complete information, do not rent to them. They have not established LIHTC eligibility.

Calculating Income and Completing the TIC (Tenant Income Certification)

Now That You Have It,
What Do You Do With It?

Calculating Income

- One of the most common causes of ineligible households is due to not using the verified information correctly.
 - This is often due to lack of training or confusing LIHTC requirements with the requirements of other programs.
- Remember, we calculate income according to Section 8 standards, which are different from how income is calculated for your tax return.

Calculating Income

- A few tips to show eligibility:
 - Show your math. A Certification Worksheet must accompany every certification.
 - Sometimes, two different people can look at things in two slightly different ways. Showing what you did will help track down any procedural mistakes to make sure they are corrected.
 - If given a range, use the greatest number or obtain clarification from the source.
 - 2-5 hours of overtime/week = 5 hours.
 - 2%-3.5% raise = 3.5% raise.
 - Other programs might say to use an average. This means you could have different certified incomes for the different programs.

CERTIFICATION WORKSHEET

Name	<i>(Some redundancy has been cut below)</i>		Unit		
------	---	--	------	--	--

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. The intent is to clearly show calculations that support the amounts listed on tenant certification. ***Do not include Asset income here.***

Applicant		Income Source		Rate		Hrs		Period (12,24,26,52)		Anticipated Annual Income
					X		X		=	\$
					X		X		=	\$
					X		X		=	\$

Sum Total from Anticipated Annual Income Column \$

LINE A

Asset Calculations: Factor appropriate amounts as needed. Current value for all assets except checking, which uses a six month average balance.

More redundancy is cut below for space. Use as much of the form as needed.

Type of Account	Source / Account Number	Balance Cash Value Or Share Value		% Rate or Dividend		Period		Income
			x		x		=	

Sum Total of Balance or Cash Value Column	=	\$	Line B	Sum Total of Income Column	=	\$	Line C
---	---	----	---------------	----------------------------	---	----	---------------

When the Net Family Asset aggregate exceeds \$5000 you must calculate Imputed Income from Assets at 2% and use the greater of Actual Income from Assets (line C) or the Imputed Income Amount (Line D).

IMPUTED Asset Income	=	\$	Line B	X 2%	=	\$	Line D
----------------------	---	----	---------------	------	---	----	---------------

TOTAL ANNUAL INCOME

\$	+	\$	+	\$
LINE A		Greater of LINE C or Line D		GROSS ANNUAL INCOME

Calculating Income

- More tips:
 - Use all the information on the verification.
 - If there are 2 hours of overtime/week and there will be a raise in 4 weeks, apply the raise to the overtime rate, too!
 - Don't forget tips, commissions, bonuses, shift differentials, military allowances, etc.
 - Make sure the information makes sense.
 - Look at YTD income and compare that to the hourly wage or salary given. If there's a significant difference, you will need to get detailed clarification from the employer (maybe pay stubs, too).

Completing the TIC

- The TIC (Tenant Income Certification) is one of the most essential documents for LIHTC compliance. It shows eligibility.
- If you don't complete a certification prior to move-in, you haven't shown the household is eligible.
 - **The IRS has instructed that this be reported as an over-income household!!!!**

TENANT INCOME CERTIFICATION

Check one.

Initial Certification Recertification Other _____

Effective Date:	This should be the _____
Move-in Date:	same at move-in. _____ (MM/DD/YYYY)

PART I - DEVELOPMENT DATA

Property Name: _____	County: _____	BIN #: _____	PISD: _____
Address: _____	Unit Number: _____	# Bedrooms: _____	

PART II. HOUSEHOLD COMPOSITION	DEMOGRAPHIC INFO (LIHTC PROJECTS ONLY) Voluntary by Tenant; Required of Management
--------------------------------	--

HSLD MBR #	Last Name	First Name & M.I.	Relationship to Head of HSLD	Date of Birth (MM/DD/YY)	F/T Student?	Race	Ethnicity	Disabled?
1	List all residents.		H					
2								
3								
4								
5								
6								

PART III. GROSS ANNUAL INCOME (USE ANNUAL AMOUNTS)

HSLD MBR #	(A) Employment or Wages	(B) Soc. Security/Pensions	(C) Public Assistance	(D) Other Income
				“Monetary or not”
TOTALS	\$	\$	\$	\$
Add totals from (A) through (D), above			TOTAL INCOME (E):	\$

PART V. DETERMINATION OF INCOME ELIGIBILITY

TOTAL ANNUAL HOUSEHOLD INCOME
FROM ALL SOURCES:
From item (L) on page 1

**If more than the
income limit, don't
move them in.**

\$ _____

Household Meets Income
Restriction at:

- 60% 50%
 40% 30%
 _____% **MSA or
deep targeting**

RECERTIFICATION ONLY:

Current Income Limit x 140%:

\$ **Important at recert!**

Household Income exceeds
140% at recertification:

Yes No

Current Income Limit per Family Size: \$ **Current income limit.**

Household Income at Move-in: \$ _____

Household Size at Move-in: _____

PART VI. RENT

Tenant Paid Rent \$ **What tenant pays.**

Rent Assistance: \$ _____ Type: **Sec 8, RD,
etc.**

Utility Allowance \$ _____

Other non-optional charges: \$ _____

GROSS RENT FOR UNIT:
(Tenant paid rent plus Utility Allowance & other
non-optional charges)

**Don't include
subsidy.**

\$ _____

Unit Meets Rent Restriction at:
 60% 50% 40% 30% _____%

Should be same as above.

Maximum Rent Limit for this unit: \$ _____

**If it's a condition of
occupancy, it's non-optional.**

PART VII. STUDENT STATUS

ARE ALL OCCUPANTS FULL TIME STUDENTS?

Yes No

If yes, but no exception met, they're not eligible.

If yes, Enter student explanation *
(also attach documentation)

Enter 1-5 _____

* Student Explanation:

- 1 TANF assistance
- 2 Job Training Program
- 3 Single parent/dependent child
- 4 Married/joint return
- 5 Formerly in foster care

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

See Part V above.

Check all that apply.

b. HOME

Income Status

- ≤ 50% AMGI
- ≤ 60% AMGI
- ≤ 80% AMGI
- OI**

c. Tax Exempt

Income Status

- 50% AMGI
- 60% AMGI
- 80% AMGI
- OI**

d. AHDP

Income Status

- 50% AMGI
- 80% AMGI
- OI**

e. _____

(Name of Program)

Income Status

- _____
- _____
- OI**

** 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.

If you don't sign, it's non-compliance.

Signature of Owner/Representative

Date

Completing the TIC

- There are three pages of instructions to this two page form. Most questions about this document will be covered there.
- Certifications must be completed by the move-in date.
 - This is different than some other programs. RD certifications, for example, are effective the beginning of a month, sometimes weeks after move-in (don't confuse your programs).

ANNUAL REPORTING TO DBAS / HUD

- Most of the information on the TIC must be reported annually to DBAS for every member of the household.
- Serves as an audit tool (rents and incomes are checked).
- Forwarded to HUD to be integrated into a national database.
- Side benefit is that government can use the statistics to show the benefit of the program.

Lease Addendums

- These ensure that the tenant knows they must recertify with a self certification annually.
- If a tenant says they don't have to recertify, show them that they are in violation of their lease which could result in termination of tenancy – know your lease!
- There are two documents, one for 100% LIHTC properties, and one for mixed (LIHTC & market-rate units) properties.

Recertification Update

- Each tenant must complete a self-certification annually.
- No verifications are required.
- Check student status. While “once income eligible, always income eligible,” student status is not treated this way. Household can lose eligibility based on student status.



In Summary



We're at the end, folks!

Summary

- Income is all contributions *monetary or not*.
- **NEVER** let verifications be hand-carried.
- Blanks do not mean “no.”
- Be familiar with HUD 4350.3 REV-1 for verification procedures, income inclusions/exclusions, etc.
 - Download and keep handy a searchable pdf.
- Clarify any discrepancies in the documentation.
- ***If an applicant is not truthful, or if you cannot get complete information, do not rent to them!***



Thank you for coming.



Any questions?