

Q1: What documents should be used or reviewed to maintain compliance?

Answer: Any staff working on qualifying households or other aspects of compliance should be familiar with the following documents for a property:

- Part I and Part II of Form 8609

During lease-up these will not be finished; however, the owner’s intentions for 8b (multiple building election) and 10c (minimum set-aside) must be known and understood.

- Restrictive Covenant

During lease-up this document may only be in draft form. If the Restrictive Covenant has not been recorded yet then then refer to the Final Affordable Housing Funding Application for details on income and rent restrictions agreed to with OHFA as well as other key compliance requirements.

It is imperative that the 8609s for projects with multiple buildings be completed so that the 8609s reflect how transfers and the income/rent limits were actually implemented at the property during lease up. Please work with the person responsible for completing the 8609s to ensure these forms are correct. Failure to complete the 8609s correctly could mean that the income and rent limits used at the property during lease up are not correct or that units are not fully qualified. There are other implications to choosing the multiple building election. Owners may want to consult their CPAs prior to making this decision.

Q2: What IRS rules are project wide vs. by building?

Answer:

Project Rule	Building Rule
Minimum set-aside	8823 issuance
Vacant Unit Rule	Applicable Fraction
	Available Unit Rule

Form 8609s define the project. IRC Code defaults to each building being its own project unless the 8b of Form 8609 defines the project as having multiple buildings.

Q3: I understand the Multiple Building Election is PROJECT WIDE, but why is this important for the development?

Answer: The income and rent limits are applied on a PROJECT-WIDE basis, depending on how the project is defined based on the multiple building election on the 8609s.

If question 8b on the 8609s indicates that a building was *part of a multiple-building project*, all of the buildings in that multiple-building project will use the income limit based on the date the first building was placed in service.

If question 8b on the 8609s indicates the building was *NOT part* of a multiple building project (in other words it is set up as though each building is its own project), each building will use the income limit based on the date that particular building was placed in service.

The multiple building election will also impact whether transfers can be completed between buildings or not.

Q4: My tenant needs to move units. What should I consider when completing a transfer?

Answer: The IRS allows for transfers between buildings, but it is imperative owners and/or management agents review the owner's 8609 Form answer to the question 8b. Are you treating this building as part of a multiple building project for purposes of IRS Section 42? Tenant is under 140% at recertification? If the answers to these questions is yes, then the household may transfer from one building to another.

Keep in mind a transfer does not alter the certification date on the Tenant Income Certification (TIC). So at a property that is 100% tax credit and does not require recertifications, the move-in date of when the unit qualified as a Tax Credit unit should be listed on the TIC. If recertifications are required, the certification date should be the most recent of the move-in or last recertification.

If the answer on 8609 Form is no to 8b therefore not treating a building as part of a multiple building project, then any transfers between buildings would be considered a move-out from the existing unit. The household would have to be qualified using third party documentation to current income limits and be considered a new 'move-in' for purposes of IRS Section 42.

Households whose income is over 140 percent at recertification should not be transferred to another building unless a market-rate unit is available, and at that time it would be a move-out and move-in. Steps would need to be taken to correct any noncompliance related to the Available Unit Rule.

Q5: The property has a new allocation of Low Income Housing Tax Credits, when should access be requested in DevCo?

Answer: Owners should request access to the property at minimum 2 months prior to qualifying residents. The owner must also work with OHFA Project Administration staff to confirm if buildings, units and other key information is place. They can request access directly through DevCo by using the "Request another property" feature. If the organization requesting access is new to OHFA they should request an Organization Code prior to registering in DevCo, this ensures that the request is processed smoothly. The Organization Code is used during registration. Any issues with access or using DevCo for compliance can be sent to [DevCo Helpdesk](#).

Q6: What if the move in date is before the date that the unit initially qualified for LIHTC. Which date should be used on the TIC?

Answer: Use the date the tenant qualified for HTC on the tenant income certification. The HTC move in event is the date the household became qualified for the HTC program. This date may be after they physically moved in if the property housed people prior to the HTC allocation.