# FACT SHEET

## EXTENDED USE PERIOD (POST YEAR 15)

Major focus is to ensure that these properties remain affordable and that physically they are maintained appropriately during the extended use period.

### Owner's Certificate of Extended Use Period Compliance

- Must submit the Owner's Certificate annually indicating that the number of restricted units (as reflected in the VHFA Housing Credit Subsidy Covenant) have been rented to income eligible tenants at initial occupancy <u>only</u>. Annual recertifications are no longer required.
- Rents must not exceed tax credit maximums throughout the extended use period.
- The new certification includes the required good cause eviction and gross rent compliance language required under Section 42.
- The applicable fraction is calculated using the total number of restricted unit method (do not use the square footage method) and is now applied on a project-wide basis.
- The Student and Next Available Unit rule will no longer be enforced.

### Extended Use Project Tenant Data Submission

- Tenant data is to be submitted electronically on VHFA's Web Compliance Management System (WCMS). This can be done by either manually entering data or sending an electronic file for all new move-ins that occurred during the fiscal year. The link to the Web Compliance Management System can be found at http://www.vhfa.org/WebCompliance/Login/Login?ReturnUrl=%2fWebCompliance

### Audits and Physical Inspections

- Annual desk audits will continue to be performed by reviewing the above annual submissions.
- An on-site physical inspection will be done every 5 years along with tenant file reviews on a limited number of units and files (20% of low-income units).

### Rent Schedule

- Rent will be calculated based on bedroom size during extended use period.

### Compliance Monitoring Fees

- Fees for monitoring will be $4 per unit per month. The $4 fee will be assessed only to the number of restricted units.