



100% EXEMPTION WAIVERS

AHP Property Owners:

The Housing and Economic Recovery Act of 2008, (“HERA”) provides an exemption from tenant annual income recertification requirements for 100 percent affordable Low-Income Housing Tax Credit (LIHTC) properties. Monitoring Data Services, Inc. (MDSI) has received authorization from the FDIC to incorporate this exemption into the FDIC/RTC Affordable Housing Program. This exemption waives the requirement to obtain third party verification *after* tenants initially qualify for the unit, and will relieve the property from the burden of verifying income and asset information at annual recertification.

In order to qualify for this exemption, the property must meet the following criteria:

- Property must be required to set aside 100% of the units for *either* the Tax Credit Program, the FDIC/RTC Affordable Housing Program, or other financing sources which **do not require** annual tenant income recertifications, and
- Have no outstanding issues of continuing non-compliance or outstanding compliance fees.

In order to implement this waiver, you must submit notification to MDSI by e-mail to compliance@monitoringdataservices.org. The notification must be sent **from the owner or the designated Administrator of Accounts**. Additionally, please provide **one** of the following documents:

- 1) A copy of the Tax Credit LURA indicating 100% of the units are required to be set aside.
- 2) A current letter from TDHCA indicating the total number of units required to be set aside. The letter can be a response from either a desk review or the most recent on-site review.

It is important to note that while assets and income do not have to be verified at recertification, management must have the resident complete the Annual Eligibility Certification form, developed by TDHCA and available on our website at www.monitoringdataservices.org. The form has been modified for use by owners of AHP properties.

The effective date of the 100% recertification waiver is not retroactive.

In addition, the following are still required: Full and complete certifications at initial designation, submission by owners of reports and compliance monitoring fee and cooperation during on-site audits as required by monitoring regulations.

Please note that MDSI reserves the right to require recertifications if there is a pattern of non-compliance. If MDSI determines at any time following the grant of the waiver that substantial noncompliance has occurred, the waiver may be revoked and the owner must complete full annual income recertifications with third party verifications.