

Asset Management Notice

To: All Owners and Managers Notice # 2023.08

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In This Issue:

I. HUD's Office of Multifamily Housing Programs Publishes Notice of Funding Opportunity – Tenant Education and Outreach

II. Audit Corner- Tax Credit Tips

I. HUD's Office of Multifamily Housing Programs Publishes Notice of Funding Opportunity – Tenant Education and Outreach

On July 27, 2023 HUD's Office of Multifamily Housing announced \$10 Million in new funding that supports tenant education and outreach. This is for properties supported by the Section 8 Project Based Rental Assistance Program. With the intent to educate tenants on their rights and responsibilities. Funding can be used for training, technical assistance, as well as to help establish tenant organizations.

Applications must be submitted by January 1, 2024. More information can be found by following the link below.

FR-6700-N-46 Tenant Education and Outreach Department of Housing and Urban Development

II. Audit Corner- Tax Credit Tips



TAX CREDIT TIPS

Child Support Documentation Issues

MaineHousing has recently identified several instances of lack of proper documentation regarding child support awards. In these cases, the files only contained self-affidavits stating that no child support is being received. Per HUD Handbook 4350.3, Rev-1, Chg 4, Chapter 5 Section 6F, Owners must count child support amounts awarded by the court **unless** the applicant



certifies that payments are not being made AND that he or she has taken all reasonable legal actions to collect amounts due, including filing with the appropriate courts or agencies responsible for enforcing payment.

When verifying child support the following should be verified:

- 1. The support amount as specified in a divorce decree or settlement agreement; and
- 2. Whether this amount will be terminated in the next 12 months, and if so, when.

The following methods in order of HUD preference may be used to verify support:

- 1. A copy of a divorce decree, separation or settlement agreement stating the amount of support or payment schedules;
- 2. Third party from appropriate courts or agencies responsible for enforcing payment;
- 3. A letter from the person paying the support, stating the periodic amount to be paid;
- 4. A copy of the latest check the manager should record the date, amount and number of the check; or
- 5. A notarized statement or affidavit of the amount received or that support payments aren't being received and the likelihood if support payments being received in the future. (It is recommended that if this method is used, the file should document why third party verification could be not obtained.)

Rent Increases Applied Under The Housing Choice Voucher Program

Just a reminder for Owner/Managers (O/Ms) with units occupied by individuals and families with Housing Choice Vouchers (HCVs).

Unlike most Section 8 Multifamily housing that is eligible to receive an automatic rent increase through the annual OCAF adjustment, the Public and Indian Housing division of HUD, administering the HCV program, does not contact O/Ms when the payment standard increases and does not automatically adjust the subsidy portion of a voucher holder's rent. The O/M must contact the Public Housing Authority that is the issuer of the HCV and request a rent adjustment.

Because the local Public Housing Authority processes much of the annual paperwork for the HCV tenants, it may be easy for the O/M to overlook the fact that no rent increase accompanied the recertification, particularly if the tenant has remained in place for a number of years. MaineHousing suggests that O/Ms review their rent rolls periodically to make sure that eligible rent increases are not overlooked. Since rents will not be increased retroactively, and some Public Housing Authorities will only adjust the payment standard on the resident's anniversary date, the responsibility falls to the O/M to have a system in place to ensure that the Project is receiving all of the rental income to which it is eligible for.

Please note that MaineHousing provides notices as a service to our partners. Notices are not intended to replace ongoing training and do not encompass all compliance and regulatory changes that may occur on the wide arrange of housing programs in which we work. MaineHousing recommends partners establish an ongoing training program for their staff.



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