GOVERNMENT OF THE DISTRICT OF COLUMBIA
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
1800 Martin Luther King Jr. Avenue SE **|** Washington, DC 20020
202-442-7200 **|** www.dhcd.dc.gov

BUILDING STATUS AND
VACANCY REPORT INSTRUCTIONS

General Instructions

For a property with Section 42 Low Income Housing Tax Credit (LIHTC) and/or Home Investment Partnership (HOMEO units, you are required to submit a **Building Status and Vacancy Report** form for *each* of the property's buildings. Each of the units in the building must be reported regardless of whether the unit is a tax credit unit *OR* a market rate unit.

If the unit was market rate and tax credits were not claimed for the unit, complete the **"Head of HH – Full Name"** column **(Column 5)** by entering **MKT** for **"market rate."**

> **Example 1:** *If* your project has four buildings and *three* of the **four** buildings contain tax credit units, you will need to submit **four** of the **Building Status and Vacancy Report** forms **(one for each of the four buildings)**, as attachments to the annual Owner's Certificate of Continuing Program Compliance.

> **Example 2:** *If* your project has six buildings and six buildings contain tax credit units, you will need to submit **six** of the **Building Status and Vacancy Report** forms as attachments to the annual certificate of compliance **(one for each building)**.

Note: The **Building Status and Vacancy Report forms** must be submitted in Excel format or on a flash drive.

Compliance Year: This information has been provided in your letter. To complete this report, we ask that you take a "snapshot" of your project on the last day of the year being reported. To take a "snapshot," look at your project on the last day of the year and report households occupying tax credit units on that date and any tax credit unit that was vacant on that date.

Project L.P. Name: Enter the limited partnership (L.P.) name of the project.

Property Marketing Name: Enter the marketing name of the property.

BIN: DHCD assigns each of the buildings at a Section 42 tax credit project a Building Identification Number (BIN). The BIN is noted on the IRS Form 8609 issued by DHCD for each building containing tax credit units.

Total # Units In Bin: Indicate the total number of units in the building.

Building Address: Enter the street address of the building.

Applicable Fraction: The percentage of units occupied by LITHC family or square footage of space occupied by LITHC family, whichever is the lesser of the two.

Placed In Service Date: The month, day, and year in which the building was placed-in-service.

Date Prepared: The month, day, and year in which the **Building Status and Vacancy Report** was prepared.

Every unit in each tax credit building must be reported, regardless of whether it is a tax credit unit. If a unit was market rate and credits were not claimed, complete the Head of HH (Column 5) by entering "market rate."

If a Unit was vacant in the reporting year, complete the Head of HH column **(Column 5)** by entering "vacant."

(Column 1) Unit Number: Enter the unit number.

(Column 2) No. Of Bedrooms: Enter the number of bedrooms for that unit.

(Column 3) Off Line Unit: Enter (Y) Yes for all occupied units and (N) No for vacant units in building.

(Column 4) Unit Type: Please refer to the first table. If the unit is occupied by a market renter, please leave the space blank.

(Column 5) Head Of Household Full Name: Enter the existing tenant's last name first, then first name. List vacant in column if the unit is not a tax credit unit, or if the unit was vacant.

(Column 6) Current # In Household: Enter the number of people currently living in the unit.

(Column 7) Date LIHTC/HOME Qualified Or Date Vacated: If the project is just being occupied, this would be the effective date of the initial certification (move-in date). If this project is being rehabilitated with tenants in place, the LIHTC/ HOME qualified date is the most current certification, (within a one-year time frame of the current placed in service date), which would then qualify the existing tenant as income eligible for tax credit purposes. Please enter the month, day, and year from the drop down boxes.

(Column 8) Number In Household At Initial Qualification: Self-explanatory.

(Column 9) Qualifying Income: The tenant's income for the year the tenant qualified for the

LIHTC unit. For new construction, the annual income and move-in annual income are the same. Section 42 regulations specify that income shall be calculated in accordance with Section 8 regulations. The U.S. Department of Housing and Urban Development (HUD) defines annual income as the gross amount of a household's income and assets. The current HUD passbook rate used in determining income from assets is now 2 percent globally. Also note that in HUD programs the rule for rounding up is at $50.

(Column 10) Maximum Income Percent: Please select the income limit for the unit from the drop down box.

(Column 11) Tenant Rent: Enter the amount of money received from the tenant as rent for the unit. Do not include the amount of subsidy received on behalf of the tenant.

(Column 12) Utility Allowance: Enter the amount of the utility allowance allowed for each household if the utilities are paid by the tenant. This would be determined either by a survey of actual usage or applying the PHA utility allowance. This would cover all tenant paid utilities with the exception of telephone and cable TV. If the owner pays the utilities, then utility allowance is **0**.

(Column 13) Gross Rent: This column is a formula. **Do not enter anything** —the Gross Rent should be automatically calculated.

(Column 14) Current Gross Annual Income: Enter the current household income reported on the most recent recertification, if applicable.

Note: Income must be recertified annually for all LIHTC projects.

WAIVER OF ANNUAL INCOME RECERTIFICATION

1. DHCD requires that owners continue to perform the initial tenant certification prior to move-in and the first year re-certification upon the first anniversary date of any tenant who had moved into the project in the previous year. DHCD is requiring the first anniversary recertification because most cases of fraud related to income and household composition are discovered during the time period between the initial certification and first recertification.

2. Regardless of the recertification waiver, DHCD must continue to track tenant status and changes in household composition and income. Therefore, DHCD is requiring that tenants complete a **self-certification form**. The form must be completed beginning the year following the first anniversary recertification and all re-certifications thereafter. DHCD does not require third-party verification of any information on the form.

3. DHCD reserves the right to require owners that have rented to ineligible households, or that have properties demonstrating inadequate initial certification and documentation procedures, to reinstate the full annual recertification process.

4. As stated in the Code, Section 1.42.5(g), compliance with requirements of Section 42 is the **responsibility of the owner of the building** for which the credit is allowed. DHCD's obligation to monitor for compliance with the requirements of Section 42 **does not** make DHCD liable for an owner's noncompliance. DHCD is still required by the IRS to perform compliance monitoring reviews of the development at least once every three years.

5. An owner that decides to implement the recertification waiver must do so by notifying DHCD **in writing**. The Annual Owner Certification of Compliance, Project Information Report, monitoring fees, and supporting documents are still a requirement of a development with a waiver.

   Any questions regarding the waiver can be directed to Patricia Godwin at (202) 442-7246 or patricia.godwin@dc.gov.

(Column 15) Tenant Certification/Recertification: Enter the most recent date that the tenant was recertified, if applicable. Please select the appropriate month, day, and year from the drop down boxes.

(Column 16) Head Of Household Information: This information is optional but, if available, we request that you submit it on current tenants. The following codes must be used:

Race Codes:
(1) Caucasian   (4) Asian/Pacific Islander
(2) African-American   (5) Hispanic
(3) American Indian/Alaskan Native   (6) Other

Marital Status Codes:
(1) Single Male   (5) Separated
(2) Single Female   (6) Divorced
(3) Married   (7) Widowed
(4) Unmarried, Living Together   (8) Other