



FEDERAL HOME LOAN BANK
OF INDIANAPOLIS

Building Partnerships. Serving Communities.

Affordable Housing Grant Tools & Tips



AHP Monitoring & Reporting

Semi-Annual Report

Semi-annual reports are required from the time a project is awarded until it is complete and until the entire award is disbursed (*due June 1 and December 1 annually until project is certified complete*). They are sent to project sponsors, who have the responsibility of completing the report and forwarding it to the member. The purpose of the report is to provide FHLBI with information to ensure the following:

- The project is progressing at a reasonable rate and will meet FHLBI completion and disbursement deadlines.
- The budget/financial plans are on target and consistent with information provided in the application.
- The project is financially viable and still in need of FHLBI funds.
- The project meets specific regulatory requirements.
- Authorized, wet signatures are **NOT** required for the semi-annual reports.

TIPS

If there are changes to funding sources or significant changes in the development budget (10 percent or more), you must submit an updated financial workbook with the Semi-annual Progress Report. Regulations require analysis of the need for the AHP subsidy throughout the construction phase and at completion. Tell us if things change! An easier resolution is generally found before the completion of the project.

- Submit a *Modification Request* form, if needed (for changes affecting one or more of the scoring criterion). Reference the schedule to the agreement which details each scoring component for which points were awarded
- *Extension Requests* should be submitted if deadlines cannot be met.

Annual Certification

To verify rental project units remain affordable for the 15-year retention period, *Annual Certifications* must be submitted for 15 years after the project's first year of completion.

The *Annual Certification* is due annually in December. The form is sent to the sponsor first, who signs it and then forwards it to the member for signatures and submission to FHLBI. Income targeting worksheets and rent rolls are required at different stages, depending on the age of the project, the amount of AHP subsidy and funding sources for the project (please check the *Implementation Plan* for more information).

- Project owners annually certify that rents and incomes are in compliance with the rent and income targeting commitments made in the application, the project is habitable, and documentation is maintained on site to support the tenant incomes. (For projects that are developed with low-income housing tax credits, the FHLBI *may* rely upon the state's housing finance authority for income verifications and targeting compliance.) Authorized, wet signatures are **NOT** required for the Annual Certification.

TIPS

- Some projects will require an updated income targeting worksheet (rent roll) and a sampling of income documentation with the *Annual Certification*. Be sure to read the cover letter sent with the certification request to see if it is required for a particular project.
- The AHP Agreement and Regulations requires notification to the FHLBI upon the sale or refinancing of the property subject to an AHP Real Estate Retention Agreement.
- Restrictions limiting the proceeds from a refinancing transaction – funds equal to the AHP must be used to improve the property.