

## HDA Gap Financing

### REPORTING REQUIREMENTS

Always refer to your specific loan agreement as to required reporting requirements.

- **Audited Financials-Due yearly**, within 180 calendar days following the end of the Borrower's fiscal year, non-profit developers/owners must submit to the Compliance Department a complete set of audited financial statement and the auditor's opinion and management letters in accordance with 24 CFR 84.21, and the Single Audit Act of 1984, as amended, covering each fiscal year until the termination of the Loan agreement.
- **Annual Compliance Cert**-due on or before January 31 each calendar year during the terms of the Loan Agreement.
- **Affirmative Marketing Report**- Developers/owners/sponsors will be required to use affirmative fair housing marketing practices in soliciting tenants/owners, in determining eligibility, and concluding all transactions. A report showing borrower's marketing activities and compliance with the affirmative marketing requirements is due based on program.
  - **For OHDA** projects with 5+ units. Due prior to marketing for affordable units.
  - **For RHDA all projects**, within 90 days after completion of the development and every 90 days thereafter until 100% occupancy.
- **Annual Insurance Renewal-Due yearly**, project developers/owners shall obtain, maintain and keep in full force and effect insurance coverages for general liability, auto, and property hazard insurance in such amounts and in such manner as required by the AHFC's Loan Agreement.
- **Compliance/Monitoring Program** for Environmental law, upon request. A program should be put in place to confirm and monitor no environmental laws are violated and no hazardous substances are present.
- **Notice of Hearing-when needed**, provide notice to us in advance of any public hearing or meeting with a governmental authority that may affect the project.
- **Inspection of Books and Records-upon request**, all books and records relating to borrower's financial condition and indebtedness. As well as other financial data with respect to ownership, maintenance, use and operations of the property to determine level and adequacy of compliance with the Loan Agreement.
- **Monitor, Inspect, and Audit of property-upon request**, during normal business hours, AHFC is allowed access to the land and improvements to carry out monitoring and evaluation activities to ensure adherence to loan agreements, restrictive covenants, and to determine the condition of the property.
- **Statement of unpaid balance-upon request**, a written statement or affidavit, stating the unpaid balance of the Indebtedness and that there are no offsets or defenses against full payment of the Indebtedness and the terms hereof or, if there are any such offsets or defenses, specifying them.

- **Borrower Meetings and Minutes-upon request**, borrower must provide copies of any resolution of the borrower, managing member, special member that relate to the property.
- **Personnel Policy (for 5+ employees)-upon request**, a written policy with respect to employment, salary and wage rates, working hours and holidays, fringe benefits, health and hospitalization, retirement, vacation and sick leave [privileges, and travel.
- **Disclosure of Material Adverse Effect-when needed**, if borrower becomes aware of the existence or occurrence of any financial or economic condition or natural disaster which is likely to have a Material Adverse Effect, and of Borrower's opinion as to what effect such may have on the property or borrower.
- **Active Contract Listings-within 20 calendar days upon request**, a complete listing of all contracts, showing date, term, parties, subject matter, whether any default exist, and other information reasonably requested by AHFC with respect to such Contracts, including an executed copy thereof.
- **Replacement Reserve Fund (RHDA Only)**-developers must set aside a minimum of \$250 per unit per fiscal year for the first 15 years following conversion of the Senior Loan to permanent status.