Acquisition/Rehab Acknowledgement

Property Name: _____ LITC#: _____

Per the IRS' 8823 Guide (page 4-25) "For households occupying a unit at the time of acquisition by the owner, the initial tenant income certification is completed ***within 120 days after the date of acquisition*** using the income limits in effect on the day of acquisition. The effective date of the tenant income certification is the date of acquisition since there is no move-in date." ***However, for Agency purposes, a move in date equivalent to the effective date of the initial tenant income certification is required for compliance testing in the Mitas Web System. Any dates prior to the acquisition date of the property are not applicable for the Tax Credit Program.***

"In the event that the household occupies a unit at the time of acquisition, but the tenant income certification is completed more than 120 days after the date of acquisition, the household is treated as a new move-in. Owners use the income limits in effect at the time of the tenant income certification and the effective date is the date the last adult member of the household signed the certification (this is an exception to the general rule for effective dates because there is no move-in date)." ***However, for Agency purposes, a move in date equivalent to the effective date of the initial tenant income certification is required for compliance testing in the Mitas Web System***.

An Initial Certification for all existing households at the time of acquisition should be entered into Mitas**,** within 120 days of receipt of the Mitas Username and Password letter**.** ***The effective date and move in date should be the same for these transactions.***

New move-in transactions for non-existing households at the time of acquisition will be treated as a move in on the actual move in date.

Each tenant should have a Tax Credit file which includes the following:

- Initial Certification or Move in TIC with the supporting 3rd party documentation
- Initial Lease Agreement with a term of at least six (6) months beginning on the move in date or the Effective date of the Initial Certification
- Under $5,000 Asset Certification Form (if applicable) or Certification of Disposal of Assets Form
- Student Status Verification
- Child Support Certification
- Smoke Detector, Carbon Monoxide and Window Guard Acknowledgements
- Rental Application for new move-ins only ***(not existing at the time of acquisition)***

***** Enterprise Income Verification (EIV) documents should not be stored in the Tax Credit File.***

Unit Transfers into empty units (never occupied with a Tax Credit Initial Certification or Move In transaction) are not permitted during initial lease-up unless there is a medical necessity documented by a physician. One tenant cannot qualify 2 units during the initial lease up. If an existing household moves to another unit during the rehab, please do not enter a Unit Transfer transaction into Mitas. This tenant should be initially certified for the unit they will occupy after the rehab. For example, Ms. Smith occupies Unit 101 at the time of acquisition. She is initially certified in Unit 101 then moved to Unit 102 during the rehab but will go back to Unit 101. The Initial Certification or Move In transaction should be entered in Unit 101 and no unit transfer should be entered in Mitas for Unit 102. However, if Ms. Smith decides to remain in Unit 102, after the rehab, she should be initially certified in Unit 102 instead of Unit 101.

BIN (Building Identification Number) with corresponding address for any existing tax credit property cannot change for the re-allocation, acquisition or rehab of the property. All BINs and addresses listed on the initial IRS Form 8609 must remain the same. Only the unit numbers within the BIN (building) are permitted to change.

Tax Credit projects with a "100% applicable fraction" election can marry the Tax Credit recertification date for other housing programs after the 1st full recertification is completed on the anniversary date of the initial tenant income certification or move in certification. Any existing households that did not qualify at the time of acquisition should be recertified annually to determine eligibility and the recertification should be entered into Mitas. Once the household qualifies for the Tax Credit Program, an Initial Certification should be completed and entered into Mitas and a copy of the TIC along with asset and income documentation should be forwarded to the Tax Credit Analyst for review.

Please provide the following for the person who will be entering the tenant data into Mitas:

_____
Print Name

_____
Telephone

_____
Email

I have carefully read and fully understand the above and will distribute this document to each Mitas user for this property. If I have any questions, I will contact the Tax Credit Analyst, for this property, prior to entering tenant data in the Mitas system.

_____ _____
Signature of Owner or General Partner ***Date***

_____
Print Name of Owner or General Partner