

## **NONPROFIT AGENCY REPORTING REQUIREMENTS AND FHA MONITORING ACTIVITIES**

### **All Nonprofit Agencies**

**Field Reviews.** Periodically, HOCs will perform field reviews of nonprofit agencies that participate in FHA programs as part of its on going quality control activities. Therefore, the HOC may contact a nonprofit agency and request the following information, which may include, but is not limited to:

1. Documentation regarding the nonprofit agency's progress in implementing its affordable housing program and/or,
2. Access to properties under development and/or otherwise a part of the nonprofit agency's affordable housing program.

All requests will be made in writing and provide the nonprofit agency with the time to accommodate such requests. Failure to respond to a request of this nature in a timely manner or cooperate with the Department's efforts to monitor activity may jeopardize a nonprofit agency's approval.

### **Nonprofit Agencies That Purchase HUD Homes**

Nonprofit agencies that have purchased properties at the 30 percent discount level must submit a report to the applicable HOC Director providing information about their program accomplishments over the past calendar year by February 1 of the following year. Although nonprofit agencies that purchase properties at the 10 percent discount level are not required to submit a report, the Department reserves the right to monitor the nonprofit agency's activities relating to these transactions.

#### **Content of the report must include:**

- Number of properties acquired from HUD at the 30 percent discount during the previous calendar year.
- For each property resold during that period, by address, list its acquisition cost, rehabilitation cost, and resale price. In addition, copies of the HUD-1 Settlement Statements and Addenda supporting these sales are required.
- A list of other program costs, including any developer's fee applied, and a certification that the resale buyers were at or below 115 percent of median income for their area when adjusted for family size. The report must be signed by the Executive Director of the nonprofit agency, or the staff person with chief operating responsibilities.

If the report is not received within 30 days of its due date, the agency will be denied further participation in the deep discount program until it is received *and* is acceptable to the HOC Director.