

Rental Project Sponsor Reporting for AHP Award Recipients

Congratulations on your Affordable Housing Program award! Your role as a Rental Project Sponsor helps expand access to affordable housing for those who need it most, and the Federal Home Loan Bank of Des Moines thanks you for your commitment to your community.

This guide is for Sponsors like you, award recipients, who have completed the application process, received an award notification, and have signed and returned the AHP Agreement. This agreement represents the partnership you will have with the Bank throughout the lifecycle of your project and provides details regarding your duties and obligations as a Sponsor, with emphasis on the information you will need to provide to us. In other words, your reporting responsibilities.

There are four stages to your reporting responsibilities:



This guide will focus on the post-award stages of your reporting responsibilities, or Stages Two through Four. If you are just starting the application process, please refer to the AHP Housing Sponsors section of the Bank's website for assistance:

 [AHP Housing Sponsors - \(fhlbdm.com\)](https://www.fhlbdm.com)

It's important to note that the information you provided in Stage One about your project's need for an AHP subsidy, scoring and financial feasibility created the foundation for your project. Reporting in each of the subsequent stages ensures that you, the Sponsor, are fulfilling the commitment you made to the Bank during this stage.

Ready to get started?

Stage 2: Development

Stage Two takes place during the construction or rehabilitation of your project. Approximately three months after your award date, you'll start submitting **Semi-Annual Progress Reports (SAPRs)** that keep the Bank up to date on your project's progress.

This is also the stage where you will get access to your award subsidy. To obtain this funding, make sure that you are current with your SAPRs and then complete your **Disbursement** request. *Hello money!*

You'll need to complete at least one SAPR before you can receive your award money, so let's start with how to fulfill this requirement.



SAPRs or Semi-Annual Progress Reports:

These reports track your progress toward completion and ongoing compliance with the terms of the AHP Subsidy agreement. Until your project is complete, you will need to submit a report to the Bank twice a year, or semi-annually. The Bank will send you a reminder every March and September to check in within approximately 15 days after receiving this notice.



How do you do this? Simply login to AHP Online and follow the instructions in the Semi-annual Progress Report Guide found on the Bank's website:



This is your opportunity to provide a detailed report of everything that has occurred to date. You'll include a **description of your project's status** and will also **indicate any changes** to your development timeline, funding, construction or rehabilitation and estimated completion date.



It's important to note any **changes that may affect your approved scoring criteria**, such as number of units, targeting breakdown, or special needs population served.

Rental projects should be complete within 36 months of your AHP award. However, the Bank recognizes that while most projects will progress as expected, others may not. If you have identified factors that may delay or jeopardize your project's development or ability to comply with the terms of your award, you may be able to obtain an **extension** or **modification**. *Information about this can be found on the Bank's website:*



Remember, you'll need to complete your SAPR every six months, and as noted earlier, you'll need to be current on these reports to get your funding.

And speaking of funding, you'll need to either take the money for your project or commit your grant to securing other funding within one year of your award date. So, let's talk about the information you'll need to provide when you are ready to receive your AHP grant.

Disbursement Request:

To start the disbursement request process, you'll initiate your request using AHP Online and detailed instructions can be found in the **Disbursement Guide** on the Bank's website:



There is a lot of information required for this request so feel free to save your progress and complete it as your schedule allows.

Next, tell the Bank if there have been any **changes** to the project site or location and provide relevant data about your project's **status**, its **timeline**, **conditions** and **scoring information**.

Be mindful here of any changes to the project that may have occurred since your application, as any factors that affect scoring will delay your disbursement. If the Bank needs additional documentation related to scoring, it will be requested here.

As you complete the four financial areas of the request, you'll notice that your Rental Feasibility Workbook from your application is in the system. You can use this workbook as a guide; however, you'll want to complete a new **Rental Feasibility Workbook** for your disbursement request. Remember that the Feasibility Workbook should always conform to the year of your application. Find it here:

 [Rental Project Administration \(fhldb.com\)](https://www.fhldb.com)



In addition to the workbook, you'll also need to complete and upload a copy of the Construction Cost Calculator, indicate in the feasibility analysis any costs that require explanation, and attach Commitment Letters from all approved funding sources. Find the Construction Cost Calculator here:



Finally, you'll need to submit the required documents displayed in the Disbursement Request Documents field. This may include a **scope of work** and it's important to note here that this is a document that you will need to create or obtain yourself. The Bank does not provide a template for this.

While required documents for your disbursement request are displayed at the top of this screen, other documents needed over the lifespan of your project are listed in the Project Documents section below. Any that are necessary for this step will be noted and you can also refer to the **Appendix in the Disbursement Guide**:



That's it! You can look forward to receiving your grant money after the Bank has reviewed all of the information you provided. **Remember, detailed explanations and thorough documentation will help move your request along.**

Next, let's talk about what happens after your construction or rehabilitation is complete and your project is occupied.



STAGE 3 CONTINUED ON PAGE 5



Stage 3: Project Completion

Once your project is physically complete and occupied, you are in the Project Completion Stage. The purpose of project completion reporting is to ensure that your AHP award was used for **eligible purposes**, its **costs were reasonable** and that your project demonstrated a **need for AHP funds**. It also confirms that household incomes and rents comply with your project's targeting commitments, that your project is subject to an AHP retention agreement and that services and activities committed in your project have been provided.

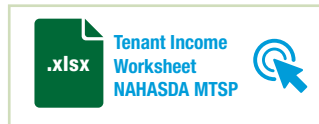
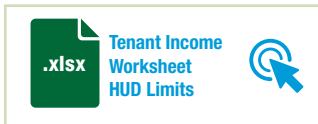
Project Completion Report:

The Bank will determine if the project is occupied by eligible households who meet the income, rent and other scoring commitments made in your application. Once your project reaches **80 percent lease-up**, you can submit this report.

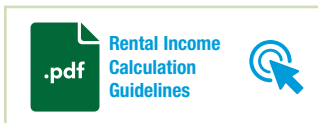
To do that -you guessed it- simply login to AHP Online and use the **Sponsor Project Completion Guide** for assistance:



The information you'll provide here is consistent with everything you've reported in the past, with a few exceptions. Since your project is now occupied, you'll need to complete and upload a **Tenant Income Worksheet**. Please note that there are two versions of this – select the one that fits your project type.



The Bank may also request supporting documentation, such as third-party income and asset documents from the time of tenant move-in, as well as current lease agreements. Please refer to the **Rental Income Calculation Guidelines** on the Bank's website for assistance:



Next, you'll affirm your project status, provide actual completion dates in your timeline, and review and affirm project conditions and scoring commitments.

In the financial information section, you'll submit your final **Rental Feasibility Workbook**. Yay! The information you include in this workbook will be compared to what you submitted for your disbursement request. You can use this as a guide, however, remember to create a new workbook and make sure it reflects final expenses and finalized pro forma.

 [Rental Project Administration \(fhlbdm.com\)](http://fhlbdm.com)

Be sure to select the year of your AHP Application



The project completion stage requires documentation as well and any necessary items will be noted throughout this report. Refer to the **Appendix in the Sponsor Project Completion Guide**:



Once you've fulfilled all requirements to this point and uploaded any needed documentation, you'll have the opportunity to add in additional items you'd like to share or that have been requested by the Bank.

After you've completed this report and it has been approved by the Bank, your project will go into the long-term monitoring phase, and we'll talk about that next.

STAGE 4 CONTINUED ON PAGE 7



Stage 4: Long-Term Monitoring

You've come a long way, so congrats on your progress so far! You've now officially entered the final stage of reporting – long-term monitoring – which lasts until the end of your 15- year retention period.

Annual Certifications:

There are two types of reporting that take place during this stage. The first are annual certifications, which begin in the second year after the completion of your rental project.

Once again, you'll login to AHP Online, using the Long-Term Monitoring Sponsor Certification Guide to assist you:



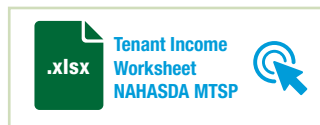
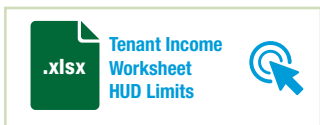
This is where you will verify that:

- Your project remains habitable and suitable for occupancy
- Your tenant rents and incomes match the targeting commitments you made in your application
- Your project is still financially feasible, doesn't have excess vacancy and is current on debt payments, taxes, and insurance
- Your project has not been sold or refinanced
- Your project is in compliance with commitments to other funding sources
- And, any information that adversely affects the ongoing operation of your project has been reported

The Bank will send an email to remind you to complete your annual certification and will follow-up if this has not been **received within three weeks.**

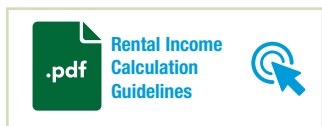
Tenant Income Worksheet:

The second type of reporting that occurs during long-term monitoring pertains to your project's tenants. The Bank will periodically review documentation to verify compliance with the rent and income targeting commitments listed in your application. You'll provide this information by completing a **Tenant Income Worksheet** – just like you did during the project completion stage – and you can find this on the Bank's website:



The frequency of this reporting depends upon your project type and the amount of your AHP award. For some projects, this worksheet will not be required. For all others, you'll be required to submit this every **two, four, or six years**.

The Bank will contact you requesting this information and will provide instructions on completing this worksheet. Also, similar to your project completion reporting, you may be asked for additional information here, so remember to keep thorough tenant records on items such as third-party income and asset documents from move-in, in addition to current lease agreements. Refer to the **Rental Income Calculation Guidelines** for assistance:



Once this information has been received and your project has been found in compliance, you will not need to submit this again until your next scheduled review.

Wow – you made it! That's all you need to do during this final stage of reporting to be successful as a Rental Project Sponsor.

Remember, the Bank's website has detailed information on everything that was covered in this guide and the Affordable Housing Team is always available to assist you with questions or concerns:

communityinvestment@fhlbdm.com or 800.544.3452, ext. 2400

Thanks again for your commitment to providing affordable housing within your community!

