

Deferral of Flexible Subsidy Repayment

Checklist for Program Center Review

✓	Requirements and Documents	Comments *
	<p><u>Threshold Requirements</u></p> <ul style="list-style-type: none"> • Project has current 60 or above REAC PASS score. • Owner/manager has Satisfactory Management and Occupancy Review ratings for the prior three review cycles. • Owner is current in the submission of all financial reports for the prior three-year period and has resolved all compliance flags. • The mortgage has been current over the prior three-year period. • There are no outstanding notices of default or violation. 	
	<p><u>Programmatic Requirements</u></p> <ul style="list-style-type: none"> • Owner agrees to execute and record a use agreement. • Owner agrees to amortize/re-amortize the Flexible Subsidy loan. • Owner agrees to apply all Residual Receipts (General Operating Reserve for Cooperatives) to the Flexible Subsidy loan balance. 	

	<ul style="list-style-type: none"> • Owner agrees to apply Reserve for Replacement funds in excess of \$1,000 per unit to the Flexible Subsidy loan balance. • Owner agrees to amend the Rental Assistance Agreement. 	
	<p><u>The Owner’s Proposal Includes:</u></p> <ul style="list-style-type: none"> • A copy of the current year’s budget, most recent interim financial statement, and the last three fiscal years of audited financial statements. • A Sources and Uses Statement for the transaction and a Pro-forma Operating Statement. • Evidence of the attempts made to secure loans or grants to repay the Flexible Subsidy obligation. • A written statement agreeing to comply with each of the programmatic requirements. • A description of how the property is providing and will continue to provide needed affordable housing. 	

* Use this column to explain any variances in the owner’s proposal from the requirements of the Notice.