

Asset Management Oversight Requirements

- **Compliance** – all properties
 - [Port access](#)
 - [Port user guide](#)
 - [Occupancy Forms](#)
 - [Rent and Income Limits](#)
 - [Utility allowances](#)
 - [Compliance guide](#)
 - [HOME/NHTF guide](#)
 - Owner’s certification due annually in Port by February 15

- **Asset Management** – properties with a Minnesota Housing first mortgage or repayable HIB loan
 - [Audits](#)
 - Due 60 days after fiscal year end for HUD risk share loans.
 - Due 90 days after fiscal year end for all other loan types.
 - [Budgets & Operating Reports](#)
 - Due November 1
 - Rents cannot increase from workbook until after 1 year (does not apply to units with rental assistance)
 - Rent increases are requested at the time of budget submittal; limited to 5% for existing households without rental assistance
 - Operating reports due 15th of every month; upload to Box.com
 - [Draw Requests](#)
 - Submit as needed; use draw form (sign) and attach invoices; paid weekly
 - To set up direct deposit / wire transfers for mortgage and/or escrow payments, contact mary.mroz@state.mn.us
 - Release of Operating Deficit Escrow or Letter of Credit (first mortgages only)
 - Refer to your loan documents and contact your assigned asset manager
 - Maintained until the later of the following two scenarios:
 - One year after permanent loan closing, or
 - Achievement of a 1.11 DCR for six consecutive months. The DCR will be calculated based on actual collected revenue less the greater of actual or underwritten effective gross expenses
 - [Insurance Requirements](#) & Property Taxes
 - Be sure to purchase a replacement cost coverage endorsement
 - For loss events, complete the [casualty loss form](#). Minnesota Housing is a loss payee for insurance proceeds.
 - For properties where Minnesota Housing escrows and pays for property taxes and insurance, send insurance invoices to steve.obrien@state.mn.us Property taxes will be paid automatically.

- Affordable properties are eligible for a reduced property tax rate under the [Low Income Rental Classification \(LIRC\)](#) program. Properties must re-apply each year.
- [Physical Inspections](#) – may be conducted by compliance and/or asset management staff
 - Inspection frequency is every 1 to 3 years, depending on funding type
 - HUD risk share loans require annual inspections
 - [Inspection documents](#)
 - [NSPIRE inspection standards](#)
 - Minnesota Housing will coordinate inspections amongst departments to limit the number of visits; this includes compliance, asset management, and project based contract administration (PBCA) (for Section 8 contracts administered by Minnesota Housing)
 - Minnesota Housing will use HUD and/or RD inspections in lieu of visiting the property whenever possible. Inspections must be from the same calendar year.
 - Compliance inspections and PBCA inspections will also involve a review of resident files.
 - Asset management inspections will involve a review of high priority homeless resident files.
- [Supportive Housing](#)
 - [Homeless documentation](#) for Minnesota Housing
 - [Housing Support](#)
 - Refer to your Memorandum of Understanding (MOU) and Tenant Selection Plan (TSP) for target populations, unit designations and eligibility for supportive housing units.
 - Contact Sarah.Broich@state.mn.us if you have questions regarding the difference between high priority homeless (HPH), people with disabilities (PWD) or other homeless units, or if you are having difficulty filling these units with qualified residents.
- [Fair Housing](#)
 - Fair Housing resources including affordable fair housing marketing plans (AFHMP) tenant selection plans (TSP) and violence against women act (VAWA)
- [Requests for Action](#)
 - Submit a request for action for a change in management company or any other significant changes to the property, financing or ownership
- [E-News Sign Up](#)
 - Please sign up to receive emails from Minnesota Housing including important annual reminders
- [List of compliance officers, asset managers and PBCA contacts](#)
- [Compliance Training Resources](#)