
Arizona Department of Housing 2020 Information Bulletin

REGARDING PROGRAMS: Rental Development

**REGARDING FUNDING SOURCES: Low Income Housing Tax Credit (LIHTC)
State Housing Fund**

INFORMATION BULLETIN No. 24-20

ISSUED: April 27, 2020

RE: LIHTC 10% Test Late Fees and Loan Payment Deferrals

The Arizona Department of Housing (“ADOH”) has been following the COVID-19 pandemic as it pertains to multifamily property operations and is responding on multiple fronts.

- ADOH will waive the \$250 per day 10% Test late fee pursuant to Section 6.4 of the 2019 Qualified Allocation Plan for 10% Tests that are due June 29, 2020. Please be advised that this is not an extension of the statutory deadline to complete the 10% Test within one year of the effective date of the Carryover Allocation.
- Additionally, the Department is reminding borrowers that requests to defer loan payments are reviewed and approved on a case by case basis, based upon the inability to make the payment as demonstrated by financial statements for the year of the applicable period for which the payment is due. ADOH may also consider current operations in its determination whether to defer a payment, if all property reserves have been expended in accordance with the Project’s Operating Agreement, due to tenants’ inability to pay rent.
- Finally, landlords and property management companies are encouraged to share the Department’s [eviction prevention program](#) with tenants who are impacted by COVID-19 and unable to pay their rent. The program pays the rental assistance directly to the landlord to maintain property operations.

The Department will continue to monitor the effects of the pandemic and will issue further policy changes, if necessary, in the future.

Questions regarding this information bulletin may be directed to Jeanne Redondo, Rental Programs Administrator via email at: jeanne.redondo@azhousing.gov.