

These instructions are for project owners who have received an initial monitoring (IM) request for information from the Bank for a rental project. If the project owner has received this IM request, the project has been deemed complete according to a recently submitted Semiannual Project Status report. Pursuant to requirements mandated by the Affordable Housing Program effective January 1, 1998 and as amended January 1, 2007, the Bank must conduct initial monitoring of a completed project.

Please provide the following information and documents and check off the items listed below. Use this form as a cover sheet for the IM documents that you will submit to the Bank. **All documentation must be legible, complete (must have all pages, dates, signatures and be recorded where applicable), and must be easily identifiable to the project. Please send your IM package to the Bank no later than 15 days from the date the IM request is sent. Failure to respond to this request may affect your ability to draw down AHP subsidies approved for other projects.**

Project Name		Project No.	
Project Owner Representative	Phone	Fax	Email

General Compliance Documentation

- Certificate of Project Owner**
Go to the AHP Compliance Monitoring web page: <http://www.fhlbsf.com/ci/procedures/ahp/comply/default.asp>. Click on Initial Monitoring - Rental Projects and download the certificate of project owner. The certificate must be signed by an authorized representative of the entity having legal ownership of the project, e.g., limited partner or fee simple owner. Insert the date, owner name, project name, and project number in the first paragraph. Note that the date of the rent roll in paragraph #3 of the certificate must reflect the same date as the date of the rent roll being submitted for initial monitoring.

- Habitability Document**
For example, a Certificate of Occupancy, Notice of Completion, or comparable document indicating the project is complete and ready to be occupied. Check one:

Previously provided

Enclosed

Date of document: _____

- Affirmative Marketing Materials**
Include advertising and publicity documents to demonstrate marketing activities undertaken (for example, newspaper advertisements, letters to organizations etc.). **Submission of the marketing plan is not sufficient.**

- Completed Rent Roll & Targeting Summary**
Download IM rental workbook from AHP Compliance Monitoring web page. Provide current information (within the last two months) for tenant names, household and unit sizes, income targeting of units, and scheduled rents (including vacant units) in rent roll and summary worksheets **and e-mail the completed worksheets to the address specified in the Request for Information**. Please make sure that the mix of unit income targeting matches levels approved by the Bank. Refer to your Project Evaluation Form or most recent modification for targeting commitments.

Financial Feasibility and Need for Subsidy/Benchmark Items

- Side-by-Side Financial Comparison**
Complete the entire development budget, sources of funds, and operating pro forma (projected for 1st and 15 years) in the IM rental workbook mentioned above **and e-mail the completed worksheets to the address specified in the request for information**. Compare the information provided at application with final financials. Provide explanations of any significant variances and benchmark deviations.

- Cost Validation for Development Budget**
Acceptable documentation includes Tax Credit Cost Certification, HUD capital advance, project-specific audited financial statements, or the last construction draw request. Documentation must be prepared and signed by a third party (accounting professional, construction contractor, etc. as applicable). For tax credit projects, **if cost certification is not available currently, indicate date cost certification is anticipated to be available:** _____

- Hard Debt Financing** (e.g., 1st loan)
Lender documentation of principal amount, term, and interest rate specifications for all financing sources. Acceptable documentation includes account statements or promissory note.
- Soft Debt Financing** (deferred or residual receipt payment)
Lender documentation of principal amount for all financing sources. Acceptable documentation includes promissory note or HUD-1.
- Investor letter showing final tax credit equity** (tax credit projects only)
- Limited partnership agreement** (tax credit projects only)

AHP Subsidy

- AHP Retention Documents**
AHP promissory note and deed of trust securing the 15-year affordability and repayment obligation. The Bank makes sample retention documents available at fhlsf.com. If these templates are not used, submit a letter from counsel certifying that the documents you are using meet the requirements and obligations of the AHP Regulation.
- Evidence of AHP Subsidy Delivery**
Acceptable documentation includes HUD-1 Settlement Statement, wiring instructions, bank statement or copy of check. Documentation must show full amount of subsidy. If subsidy was not delivered through escrow, provide evidence that subsidy has been received by the project owner.

Please send your response and all required documents to the staff person specified in the Request for Information by email or CD. If these methods are unavailable, please submit paper copies to:

**Community Investment Department
Federal Home Loan Bank of San Francisco
600 California Street, Suite 300
San Francisco, CA 94108**

If you have any questions, please contact the staff person specified in the Request for Information.