



## Instructions for Completion of the Owner's Certification and Attachment A

The following conditions must be met regarding the Owner's Certification of Completion of Repairs and Exigent Health and Safety Items (OC or Owner's Certification) and the Attachment A Report – Owner's Report of Completion of Repairs (Attachment A) to be considered acceptable documentation for the correction of physical inspection deficiencies noted on MSHDA physical inspection reports.

The initial Owner's Certification and Attachment A must be emailed to the Inspection Contractor and MSHDA Compliance at [mshdacompli@michigan.gov](mailto:mshdacompli@michigan.gov). If the Inspection Contractor has closed out the Physical Inspection, then the subsequent Owner's Certification and Attachment A must be emailed to MSHDA Compliance at [mshdacompli@michigan.gov](mailto:mshdacompli@michigan.gov).

1. The Owner's Certification must be completed using the Owner's Physical Inspection Certification system (OPIC), and each Owner's Certification must be printed, signed by the owner or authorized signatory from the management company, and dated. The Attachment A must also be included and must address each finding identified in the Physical Inspection Report. **Please note that for REAC inspections, OPIC is not used. Instead the Owner's Certification and Attachment A must be manually completed.** Templates for those forms can be found at MSHDA's Compliance webpage ([https://www.michigan.gov/mshda/0,4641,7-141-5555\\_8002\\_26576\\_26589-90761--,00.html](https://www.michigan.gov/mshda/0,4641,7-141-5555_8002_26576_26589-90761--,00.html)).
2. Attachment A reports must be completed in OPIC (with the exception of a REAC inspection as discussed above) and include the following:
  - All inspected areas and every violation noted in the Physical Inspection Report must be included on each Attachment A submitted (except Attachment A reports for EH&S corrections).
  - location, level and description of each deficiency
  - description of the corrective action taken (or planned) and the actual date corrected (or planned correction date) must be included for each deficiency
  - identification of all HOME program units inspected
  - certification that each corrected deficiency meets the UPCS standards (or MSHDA standards for "M" items). If the deficiency doesn't meet the UPCS (or MSHDA) standard or the question is left blank, the violation is considered to be outstanding and will result in noncompliance.
  - Certification information (certification date, signature, etc.) Note: Certification date may not be earlier than the latest actual correction date.
3. EH&S violations (life-threatening) must be corrected as soon as possible but no later than 24 hours after the inspection date. An Owner's Certification and Attachment A documenting the corrective action and correction dates for these items must be submitted to the Inspection Contractor and MSHDA no later than three working days after the inspection date via OPIC if the property is available in the system within 24 hours. A manually-created Owner's

Certification and Attachment A for EH&S items can be submitted if the inspection is not available yet in OPIC.

4. Level 1, Level 2, Level 3 and H & S items (Non-Life Threatening) deficiencies must be corrected no later than 60 days after inspection report issued date (cover letter date). An Owner's Certification and Attachment A documenting the corrective action and correction dates for these items must be submitted to the Inspection Contractor and MSHDA no later than 60 days after inspection report issued date (cover letter date).
5. MSHDA items ("M") must be corrected no later than 6 months after inspection report issued date (cover letter date). An Owner's Certification and Attachment A documenting the corrective action and correction dates for these items must be submitted to MSHDA no later than 6 months after inspection report issued date (cover letter date). If "M" deficiencies are not corrected at the time the 60-day response is submitted the deficiencies must be reported in Attachment A in the column titled "*Planned Corrective Actions To Be Taken/Date*". The owner's "planned" corrective actions and "planned" completion dates must both be listed.
6. All deficiencies must be corrected by the "planned" correction dates or an extension must be requested and approved. Approved extensions require that an additional Owner's Certification and Attachment A be submitted to document the corrective actions taken and the actual completion dates in the column titled "*Completed Corrective Actions Taken/Date*".
  - An Extension Request must be submitted for all deficiencies that will not be corrected by the required due date originally specified.
  - Note that EH&S (Life Threatening) items will not be extended. They must be corrected within 24 hours and responded to within three days of the inspection date.
  - If the extension request date is less than or equal to six months, approval will come from the Inspection Contractor.
  - If the extension request date is greater than six months, the approval will come from a MSHDA Compliance Specialist.
  - If the Inspection contractor has already closed out an inspection, the extension request must be sent to [drummb@michigan.gov](mailto:drummb@michigan.gov) and the Compliance Officer.
7. Submission Numbers: If more than one Owner's Certification and Attachment A are submitted, the forms must include a "submission number" in the appropriate field at the top of the Attachment A report and the submission numbers should be consecutive. (i.e. the first Attachment A submitted is submission #1, the second is Submission #2, etc.). When all inspection deficiencies are resolved the submission should be clearly labeled with the word "FINAL" (example: Submission # - FINAL).
8. MSHDA or the Inspection Contractor may request supplemental documentation (e.g. work orders, receipts, photographs, etc.). The owner will be contacted if supplemental documentation is deemed necessary after reviewing the Owner's Certification. In addition to the

Owner's Certification, MSHDA may require a reinspection of all or a portion of the development. The Owner/Management Agent will be contacted if reinspection is deemed to be necessary.

Reporting Deficiencies to the IRS for LIHTC Projects:

IRS Treasury Regulation Section 1.42-5(e)(3) requires MSHDA to report all physical inspection deficiencies identified during the physical inspection to the IRS, regardless of whether or not the deficiencies are subsequently corrected. MSHDA must issue a Report of Noncompliance (IRS Form 8823) for all EH&S, Health and Safety, L1, L2, and L3 deficiencies. MSHDA will note the correction dates on the IRS form 8823 for those deficiencies for which corrective actions have been certified as completed. The Owner's Certification/Attachment A will be submitted to the IRS as documentation of the corrective actions taken, along with the inspection report.

Correcting Noncompliance after Uncorrected 8823 is Issued:

Upon submission of a final Owner's Certification/Attachment A certifying that corrective actions for all deficiencies have been completed, the owner may submit a written request for MSHDA to issue a "corrected 8823" for noncompliance corrected within three years of the end of the correction period as required by Treasury Regulation 1.42-5(e)(3) as stated below:

*Three Year Correction Period for LIHTC Projects*

*Section 1.42-5(e)(3) - ...If the noncompliance or failure to certify is corrected within 3 years after the end of the correction period, the Agency is required to file Form 8823 with the Service reporting the correction of the noncompliance or failure to certify.*

Importance Notice: Uncorrected noncompliance and/or the failure to correct noncompliance on a timely basis could result in the issuance of negative points in future LIHTC funding rounds for applicants, their partners or members, management agents or related entities.