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## **Certified Property Management Company/Agent Program**

### **History:**

In March 2012, THDA introduced a process for evaluating the ongoing compliance performance of owners and management agents to the Tax Credit Committee to be implemented in the 2013 QAP. The goal of this process is to require that all developments receiving an allocation of tax credit through THDA must be managed by a THDA-certified management company. This process focuses on the operation of housing credit properties as they are reviewed during the compliance and extended use periods.

### **Goal:**

It has been documented by Program Compliance that a property that operates in a poor manner will have a negative impact on our mission to lead Tennessee home by creating safe, sound, affordable housing opportunities. In our continuing effort to meet our mission, we will focus on the quality of management operations to ensure the most proficient and competent professional management companies/agents in the industry manage properties in the THDA portfolio.

### **Description:**

To work towards our goal, we are introducing the THDA Certified Property Management Company/Agent Program. The process to become a THDA Certified Property Management Company/Agent involves the completion of an application that will address a number of items relative to the management agent, its principals, the company's operations, the qualifications of its management staff, and agent's performance in managing multifamily properties. THDA staff will review the application and make recommendations for approval, or disapproval, to the Director of Program Compliance.

Once a management company/agent is approved as a THDA Certified Property Management Company/Agent, this designation will be valid for a three-year period. In order to be considered for another three-year certification, an updated certification application will need to be submitted to THDA for approval. This will allow the agent to submit any new information that may be relevant and give THDA the opportunity to review any changes, as well as evaluate the agent's performance over the past three years. During the three-year period, should any issues arise that could adversely impact the agent's ability to be re-certified, THDA will document these issues and notify the agent that failure to address these issues in a manner acceptable to THDA could jeopardize their ability to be re-certified.

Although this program is being introduced for the 2013 QAP, this will become a requirement for all current management companies/agents managing housing credit properties in THDA's portfolio. All properties in the LIHC portfolio must have a Certified Property Management Company/Agent.

THDA is an equal opportunity, equal access, affirmative action employer.  
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**Reasons for rejection:**

Below are examples of reasons a management company/agent may be rejected:

- Management Company/Agent is not registered in the State of TN to conduct business
- Management Company/Agent has not attended THDA Compliance Training within the last 2 years
- Pattern of 8823s
- Has been removed from a property for misappropriation of funds
- Has had, or has been removed from a property for Fair Housing violations.

Please note that the list above is not all inclusive. THDA reserves the right to reject an application based on facts and circumstances discovered during the review process.

**Documentation:**

Once a management company/agent has been approved by THDA staff, the agent will receive a certificate from Program Compliance indicating the agent's name, the date the certificate was issued, and the expiration date. **It will be the agent's responsibility to ensure that the certification is updated and renewed in 3 years.**

THDA will post a list of the approved management companies/agents date of approval and the expiration date on the THDA website.