

APPENDIX A

APPLICATION INSTRUCTIONS

4% Tax-Exempt Bond Financed LIHTC Application Submission

Applicants for Low-Income Housing Tax Credits under the 4% Housing Tax Credit Program shall be required to submit an electronic Project Overview through the Online Application to initiate discussion with IFA regarding the Tax-Exempt Bond process. During this time, an Applicant may work on the 4% Application; however, it cannot be submitted until an Applicant knows whether IFA will be the conduit tax-exempt bond issuer or the bond issuer and mortgagee of the Project through the Multifamily Loan Program. IFA will send an email notification to the Applicant once this is known.

- a) If seeking mortgage insurance through the Federal Housing Administration (FHA), or credit enhancement from another source, the Applicant shall submit the Online Application after the FHA or the credit enhancer has approved a preliminary mortgage amount.
- b) To initiate the 4% application, a summary of the proposed Project shall be submitted to IFA and Applicant shall contact Tim Morlan for review of the information and to assist Applicant with the process.
- c) If IFA is the conduit issuer of the tax-exempt bonds, the Applicant shall submit the Economic Development Bond Application and fees through the Online Application.
- d) Applications may be submitted at any time using the Online Application; however, Applications submitted during the 9% Tax Credit Application Review Process may not be reviewed until April.
- e) Only complete, Applications shall be submitted. A Project shall satisfy all of the underwriting and threshold requirements of the 4% Qualified Allocation Plan (QAP).
- f) Generally, bonds need to stay in place at least through submission of the IRS Form 8609 Application package.
- g) Once submitted to IFA, the Application will be unavailable to the Applicant until such time that the Applicant needs to make a change per IFA's request. The Application will then be available to the Applicant for such changes.
- h) If the Owner will be electing to fix the applicable tax credit percentage for the month in which the bonds are issued, please use Exhibit 20T on the IFA website. The form shall be completed, signed, notarized, and returned to IFA by the fifth (5th) day following the end of the month in which the bonds are issued per IRS Section 42(b)(2)(A)(ii)(II).
- i) If the Owner will be electing the Placed-in-Service date for the Gross Rent floor rather than IFA's determination letter for the Gross Rent Floor, then Owner shall submit Exhibit 21T.

***REMINDER:** Per QAP Section 5.2, the representations made in the Application shall bind the Applicant and shall become a contractual obligation of the Developer and the Ownership Entity and any Entity the Developer or the Ownership Entity is representing in the presentation of the Application or a successor in interest in the event Tax Credits are awarded to a proposed Project.