

EXHIBIT A

South Carolina State Housing Finance and Development Authority 2018 LIHTC Application Checklist

The Application Checklist must be submitted with the Tax Credit Application.

Development Name: _____ County: _____

Check Off each category for which documents are being submitted. If a section is not applicable mark the section as N/A. Blank or incorrectly checked boxes WILL BE considered incomplete and/or missing documents.

TAB	Document	Comments	Check Off
1	Application	All required signatures must be originals. Faxes will not be accepted.	
2	Application Fees	A \$5,500 Application Fee is due at the time of application submission.	
		A \$600 Market Study Fee is due at the time of application submission.	
3	Application Checklist	Exhibit A	
4	Attorney Opinion Letter(s)	Exhibit C (Tax Credit Eligibility)	
		Exhibit D (Acquisition/Rehabilitation Developments)	
		Exhibit E (Nonprofit Eligibility)	
		Exhibit O (Identity of Interest)	
5	Developer Certification for Project Rejection Form	Form 1 - Certification for Development Rejection Form	
6	Entity Information	Exhibit P - Identity of Interest Certification	
		Form LP	
		Form LLC	
		Form CORP	
		Valid Certificate of Existence for <u>each</u> Ownership Entity (all LPs, LLCs and Corps) from the SC Secretary of State.	
		Articles of Incorporation <u>or</u> Charter <u>or</u> By-Laws for <u>ALL</u> entities that make up any part of the general partner ownership entity.	
7	Nonprofit Information - Provide these documents ONLY if applying in the Nonprofit Set-Aside	IRS Determination of Nonprofit Status - 501(C)(3) or 501 (C)(4) Letter.	
		Most Current IRS Form 990 (2015, 2016, 2017).	
		Certificate of Existence from the SC Secretary of State.	
		List of Nonprofit Board Members indicating the number of years they have served on the Board.	
		List of Full Time Employees and their responsibilities	
		Narrative Statement/Plan for Material Participation. Refer to pages 9 and 10 in the 2017-2018 Tax Credit Manual.	
		By-Laws <u>and</u> Mission Statement. Evidence that the Nonprofit has among its exempt purposes the fostering of low-income housing.	

8	Entity Agreement	Development Agreement			
		Initial Partnership Agreement or LLC Operating Agreement			
9	Previous Tax Credit Participation	Exhibit B - 2017 South Carolina Tax Credit Completion Status - Refer to page 3 in the 2017-2018 QAP.			
		Exhibit K - Refer to page 2 and page 8 in the 2017-2018 QAP.			
		Exhibit K-1 - Refer to page 9 in the 2017-2018 QAP.			
10	Architect and/or Professional Engineer Certification	Exhibit G			
11	Development Narrative	Refer to page 12 in the 2017-2018 Tax Credit Manual.	a	e	h.2
			b	f	h.3
			c	g	h.4
			d	h.1	Form 2
12	Site Control Documents	Refer to page 13 in the 2017-2018 Tax Credit Manual. *(e) not required if (a) provided.	a, b, c, or d		
			*e	f-if applicable	
13	Zoning/Locational Standards	Letter from City/County Official verifying the current site zoning classification. Refer to page 13 in the 2017-2018 Tax Credit Manual.			
14	Site Suitability Determination and General Site Information	Refer to page 13 in the 2017-2018 Tax Credit Manual.	a	e	
			b	f	
			c	g	
			d	h	
15	Qualified Census Tract Verification	Letter from City/County verifying Federal Census Tract Number. Refer to page 16 in the 2017-2018 Tax Credit Manual.			
16	Acquisition/Rehabilitation Developments	Initial Building Placed-In-Service Date Information.			
		Acquisition Building Service Dates - provide date building(s) will be acquired.			
		Evidence of Existing Rental Subsidies (if applicable).			
		Current Rent Roll, certified by the property manager.			
		Form 3 - Developer Relocation Certification & Tenant Profile Form			
		Relocation Plan (if applicable) - Refer to page 12 in the 2017-2018 Tax Credit Manual.			
17	Utility Allowance Estimate	Current Utility Cost Estimate - Refer to pages 12 and 19 in the 2017-2018 Tax Credit Manual and Exhibit U for completing information on page 6 of the Tax Credit Application.			
18	Physical Needs Assessment Report (if applicable)	Physical Needs Assessment Report - refer to page 15 in the 2017-2018 Tax Credit Manual			
		Exhibit R - refer to page 15 in the 2017-2018 Tax Credit Manual			
19	Market Study	Market Study prepared by an Authority approved market analyst. Refer to page 8 in the 2017-2018 QAP and page 14 in the 2017-2018 Tax Credit Manual.			
		Exhibit S-2 Primary Market Area Analysis Summary to be included in the market study.			
		Exhibit S-2 Rent Calculation Worksheet to be included in the market study.			
20	Affirmative Fair Housing Marketing Plan	Affirmative Fair Housing Marketing Plan and form M-53 Fair Housing Developer Certification. Refer to page 14 in the 2017-2018 Tax Credit Manual.			

21	Phase I Environmental Report	Phase I Environmental Assessment Report - Applicable to all applicants applying for tax credits. Refer to page 14 in the 2017-2018 Tax Credit Manual.	
22	Railroad Noise Study	Third Party Railroad Noise Study - Refer to page 7 in the 2017-2018 QAP.	
		Railroad Mitigation Plan - Refer to page 7 in the 2017-2018 QAP.	
23	Development Targeting/Extended Use Characteristics	Copy of Certified Letter sent to Public Housing Authority - Refer to page 9 in the 2017-2018 QAP.	
		Marketing Plan - Refer to pages 9 in the 2017-2018 QAP.	
		Letter from Disability Agency (if applicable). Refer to page 10 in the 2017-2018 QAP.	
		Historic Character Certification (if applicable) - Refer to page 10 in the 2017-2018 QAP.	
		Tenant Ownership Plan (for tie breaker criteria). Refer to page 15 in the 2017-2018 QAP.	
		Tenant Ownership Conversion Agreement (for tie breaker criteria). Refer to page 15 in the 2017-2018 QAP.	
		Letters of Support from City Manager, Mayor or County Administrator. Refer to page 10 in the 2017-2018 QAP.	
24	Financing Information	RHS Letter of Intent (if applicable).	
		Deferred Developer Fee - Statement of terms of the deferred repayment obligation. Refer to page 21 in the 2017-2018 Tax Credit Manual.	
		Nonprofit Resolution for Deferred Developer Fee (if applicable). Refer to page 21 in the 2017-2018 Tax Credit Manual.	
		Conventional Letter of Intent for Construction and Permanent Financing. Refer to page 23 in the 2017-2018 Tax Credit Manual.	
		2016 or 2017 Financial Statements. Refer to page 3 in the 2017-2018 QAP.	
		Repayment Schedule for all "Soft" Loans (if applicable). Refer to page 23 in the 2017-2018 Tax Credit Manual.	
		Other Funding Commitments (if applicable).	
		Fifteen (15) year pro-forma financial statement. Refer to pages 24 in the 2017-2018 Tax Credit Manual.	
25	Appraisal	Refer to page 14 in the 2017-2018 Tax Credit Manual.	
26	Syndication Information	Syndication Letter of Intent - must contain the ownership percentage, equity contribution, syndication factor, and expected annual tax credit. Refer to page 25 in the 2017-2018 Tax Credit Manual.	
27	Other Opinions & Certifications	City/County/Legislative Notification Letters - Refer to page 3 in the 2017-2018 QAP.	
		City/County Parking Space Regulatory Code Requirements. Refer to page 16 in the 2017-2018 Tax Credit Manual.	
		Community Revitalization Development Plan (if applicable). Refer to page 15 in the 2017-2018 QAP and page 16 in the 2017-2018 Tax Credit Manual.	
		Tenant Service Provider Letters- Nonprofit, Underserved, Large Population Set-Asides. Refer to pages 13 and 14 in the 2017-2018 QAP	

28	HOME Information (if applicable)	HOME Application & Exhibits	
		M-47T HOME Funding Eligibility Certification Form - Refer to page 11 (Item K-iii) in the 2017-2018 Tax Credit Manual.	

If upon the submission of either the Verification of 10% Expenditure Application or the Placed In Service Application it is determined that the development is not substantially the same as the development described in the initial tax credit application, the development will not be considered for an allocation of Low-Income Housing Tax Credits.

EXHIBIT C

**Attorney Opinion Letter
For all Developments Requesting an Allocation of Tax Credits
(New Construction Developments Only)**

(Letter must be typed on Attorney's Letterhead)

Low-Income Housing Tax Credit Program
South Carolina State Housing Finance and Development Authority
300-C Outlet Pointe Blvd.
Columbia, South Carolina 29210

Re: Name of Development
 Address of Development
 Applicant

Ladies and Gentlemen:

This opinion is rendered in compliance with the requirements of the Low-Income Housing Tax Credit Program.

The undersigned is a licensed attorney-at-law, licensed to practice before the highest court in the state in which I practice. A significant portion of my practice relates to tax matters and the interpretation of the Internal Revenue Code of 1986 (the "Code"), as amended. I am familiar with the provisions of section 42 of the Internal Revenue Code, as amended, and have advised the owner with regard to its applicability to the above-referenced development.

Based upon an independent investigation into the facts and circumstances surrounding the above-referenced development, I am of the opinion that said development qualifies for an allocation of the Low-Income Housing Tax Credit pursuant to section 42 of the Code, as amended. I have reviewed and signed the above-referenced development application dated _____.

It is my intention that the South Carolina State Housing Finance and Development Authority may rely on this opinion in making its determination whether or not to offer a reservation of the Low-Income Housing Tax Credit to this development.

Yours very truly,

EXHIBIT D

**Attorney Opinion Letter
For Acquisition/Rehabilitation Developments Only**

(Letter Must Be Typed On Attorney's Letterhead)

Low-Income Housing Tax Credit Program
South Carolina State Housing Finance and Development Authority
300-C Outlet Pointe Blvd.
Columbia, South Carolina 29210

Re: Name of Development
Address of Development
Applicant

Ladies and Gentlemen:

This opinion is rendered in compliance with the requirements of the Low-Income Housing Tax Credit Program.

The undersigned is a licensed attorney-at-law, licensed to practice before the highest court in the state in which I practice. A significant portion of my practice relates to tax matters and the interpretation of the Internal Revenue Code of 1986 (the "Code"), as amended. I am familiar with the provisions of Section 42 of the Internal Revenue Code, as amended, and have advised the owner with regard to its applicability to the above-referenced development.

I have advised my client that beginning in 1990, Low-Income Housing Tax Credits may not be allocated solely on the basis of the acquisition of a building containing low-income units. I have advised my client that, in order to qualify, an acquired building must undergo rehabilitation. I have further advised my client as to the degree of rehabilitation which must be carried out in order for this development to qualify for the acquisition and rehabilitation credit.

I have made an independent inquiry as to the facts and circumstances surrounding the acquisition of this development by my client. I have reviewed and signed the above captioned development application dated _____.

Based upon the foregoing, I am of the opinion that the acquisition of the above-referenced development by my client meets the requirements of Section 42 of the Code, as amended. I am further of the opinion that, should the proposed rehabilitation of this development take place in the manner contemplated by my client, said development will qualify for an allocation of the Low-Income Housing Tax Credit.

It is intended that the South Carolina State Housing Finance and Development Authority may rely on this opinion in making its determination whether or not to make an allocation of the Low-Income Housing Tax Credit to this development.

Yours very truly,

EXHIBIT E

Attorney Opinion Letter For Eligible Nonprofit Organizations

(Letter Must Be Typed On Attorney's Letterhead)

Low-Income Housing Tax Credit Program
South Carolina State Housing Finance and Development Authority
300-C Outlet Pointe Blvd.
Columbia, South Carolina 29210

Re: Name of Development
Address of Development
Applicant

Ladies and Gentlemen:

You have asked that we render our opinion that (applicant) is a qualified nonprofit organization within the meaning of Section 42(h)(5) of the Internal Revenue Code. We understand that you require this opinion as a prerequisite to your consideration of making an allocation of Low-Income Housing Tax Credits to (applicant) _____ from the set-aside reserved for the use of qualified nonprofit organizations.

In rendering our opinion, we have reviewed the Articles of Incorporation and Bylaws of (Applicant) _____ as well as the Letter of Determination dated (date) _____ from the Internal Revenue Service. We have also examined the records of (applicant) _____ to determine whether or not there exists an identity of interest between (applicant) _____ and any for profit participant in the above-referenced development, (the "development") _____.

Based upon our review of the foregoing, it is our opinion that:

- (1) (Applicant) _____ - is a "qualified nonprofit organization" within the meaning of Section 42(h)(5) of the Internal Revenue Code; and
- (2) there is no identity of interest existing between (applicant) _____ and any for profit participant in the development and that no impermissible affiliation with or control by a for profit organization exists with respect to the development.

It is our intention that this opinion be relied upon by you in making your determination as to the eligibility of the development to receive Low-Income Housing Tax Credits.

Yours very truly,

EXHIBIT O

Attorney Opinion Letter For all Developments Involving Identity of Interest and Requesting an Allocation of Tax Credits

(Letter must be typed on Attorney's Letterhead)

Low-Income Housing Tax Credit Program
South Carolina State Housing Finance and Development Authority
300-C Outlet Pointe Blvd.
Columbia, South Carolina 29210

Re: Development: _____
Address of Development: _____
Applicant: _____

Ladies and Gentlemen:

This opinion is rendered in compliance with the requirements of the Low-Income Housing Tax Credit Program and Section 42 of the Internal Revenue Code of 1986, as amended (the "Code").

The undersigned is a licensed attorney-at-law, licensed to practice before the highest court in the state in which I practice. A significant portion of my practice relates to tax matters and the interpretation of the Code. I am familiar with the provisions of Section 42 of the Internal Revenue Code, as amended, and have advised the above-referenced Applicant with regard to its applicability to the above-referenced development.

I have advised the Applicant that the qualified basis of the property of the Applicant will include the purchase price of the existing buildings only if: (1) the managing member of the Applicant does not possess more than a 50% interest in the capital or profits in the project; (2) the managing member of the Applicant and the Applicant cannot be a member of the same controlled group at the time of the acquisition of the buildings; and (3) the basis of the existing buildings in the hands of the Applicant is not determined by reference to the adjusted basis of such buildings in the hands of the current owner. I have further advised the Applicant in the manner in which the foregoing conditions are to be satisfied.

Based upon an independent investigation into the facts and circumstances surrounding the above-referenced development, I am of the opinion that the acquisition of said development meets the requirements of Section 42 of the Code to enable it to include in qualified basis the purchase price of the existing buildings.

It is my intention that the South Carolina State Housing Finance and Development Authority may rely on this opinion in making its determination of the amount of reservation of Low-Income Housing Tax Credits that may be offered to this development.

Yours very truly,

Form 1

2018 Developer Certification For Project Rejection Form

The undersigned represents to the South Carolina State Housing Finance and Development Authority as follows:

1. The undersigned is the duly authorized representative of _____, the Applicant submitting a Low Income Housing Tax Credit Application for a development known as _____, located in or near the City/Town of _____, in _____ County, South Carolina.
2. The undersigned is aware that Low Income Housing Tax Credit Applications are submitted to provide information regarding several aspects of a proposed development, including information regarding the suitability of the site and market proposed as the location for the development.
3. The undersigned is aware that an inspection of the site proposed as the location for the development as well as nearby and adjacent properties may reveal the existence of one or more conditions that might render the site and/or market unsuitable as a location for the proposed development.
4. The undersigned, on behalf of the Applicant, hereby consents to the analysis of the market and the inspection of the site proposed as the location of the proposed development, as well as the inspection of such adjacent or nearby property as the staff of the Authority deems necessary to determine the presence or absence of hazards, dangers, risks or negative characteristics that might render the proposed site unsuitable as the location of the proposed development.
5. The undersigned, on behalf of the Applicant, acknowledges that, if any detrimental site characteristics are determined to exist on, adjacent to, or within such distance as the staff of the Authority may determine to have a negative impact on the proposed site, such site will be rejected by the Authority depending on the detrimental site characteristic(s) discovered.
6. The undersigned, on behalf of the Applicant, acknowledges that the Low Income Housing Tax Credit Application submitted by the Applicant will be reviewed by the Staff of the Authority to determine whether or not said Application meets the minimum standards in order to compete for low income housing tax credits during the Authority's application process.
7. The undersigned, on behalf of the Applicant, agrees to accept the determination of the Authority with regard to the market and the presence or absence of detrimental site characteristics, as well as the determination as to whether Applicant's Low Income Tax Credit Application meets minimum standards in order to compete in the Authority's application process.
8. The undersigned, on behalf of the Applicant, agrees that the determination made with regard to the Application by the Staff of the Authority is final and is not subject to further review, all as provided in the Qualified Allocation Plan.

Applicant: _____

Date: _____

By: _____

Name of Representative

EXHIBIT P

**South Carolina State Housing Finance and Development Authority
2018 Identity of Interest Certification**

The Applicant _____, has represented to the Authority in the 2018 Low-Income Housing Tax Credit Application that the Applicant **has** **does not have** an "identity of interest." An "identity of interest" exists if any of the following conditions exist:

- A. When there is any financial interest of the Applicant or Owner and any other member of the development team.
- B. When one or more of the officers, directors, stockholders, members, or partners of the Applicant or Owner is also an officer, director, stockholder, member, or partner of any other member of the development team.
- C. When any officer, director, stockholder, member or partner of the Applicant or Owner has any financial interest whatsoever in any other member of the development team.
- D. When any other member of the development team advances any funds to the Applicant or Owner.
- E. When any other member of the development team provides and pays, on behalf of the Applicant or Owner, the cost of any architectural services or engineering services other than those of a surveyor, general superintendent, or engineer employed by any other member of the development team in connection with its obligations under its contract with the Applicant or Owner.
- F. When any other member of the development team takes stock or any interest in the Owner entity as part of the consideration to be paid him/her.
- G. When any relationship exists which would give the Applicant or Owner or any other member of the development team control or influence over the price of the contract or the price paid to any other member of the development team or to a subcontractor, material supplier or lessor of equipment.
- H. When there exist (or come into being) any side deals, agreements, contracts or undertakings entered into or contemplated, thereby altering, amending, or canceling any of the required application or closing (should there be a closing) documents.

If there is an 'identity of interest', please state what the 'identity of interest' is: _____

_____.

The above Applicant certifies that fees and charges collected by one of the parties from related parties does not exceed the norm for such services etc., for the area the development is located in.

The undersigned hereby certifies and acknowledges that the South Carolina State Housing Finance and Development Authority may rely upon this certification in making an allocation of tax credits.

Applicant: _____

Date: _____

By: _____

FORM LP

LIMITED PARTNERSHIP	Development Name: _____ City: _____, S.C.
Name of LP: _____ LP includes the following: ___For Profit ___Non-Profit Address: _____ City _____ State _____ Zip: _____ Tax ID Number: _____ or date applied for: _____	
Partners	
	Percentage of Ownership
1. Partner: _____ Address: _____ City, State, Zip: _____ <input type="checkbox"/> General Partner <input type="checkbox"/> Limited Partner	_____%
2. Partner: _____ Address: _____ City, State, Zip: _____ <input type="checkbox"/> General Partner <input type="checkbox"/> Limited Partner	_____%
3. Partner: _____ Address: _____ City, State, Zip: _____ <input type="checkbox"/> General Partner <input type="checkbox"/> Limited Partner	_____%
4. Partner: _____ Address: _____ City, State, Zip: _____ <input type="checkbox"/> General Partner <input type="checkbox"/> Limited Partner	_____%
5. Partner: _____ Address: _____ City, State, Zip: _____ <input type="checkbox"/> General Partner <input type="checkbox"/> Limited Partner	_____%

NOTE: This form must be completed for each LLC that is involved in the proposed development. If any of the Members are Corporations, Limited Liability Companies, or Limited Partnerships then you must also complete, in addition to this form, one or more of the following, as applicable: FORM CORP, FORM LP, and/or FORM LLC. All necessary forms must be submitted so as to ascertain the Principals of the development.

FORM LLC

LIMITED LIABILITY COMPANY	Development Name: _____ City: _____, S.C.
Name of LLC: _____ LLC includes the following: ___ For Profit ___ Non-Profit Address: _____ City _____ State _____ Zip: _____ Tax ID Number: _____ or date applied for: _____	
Membership	Percentage of Ownership
1. Manager (if any): _____ Address: _____ City, State, Zip: _____	_____%
2. Member Name: _____ Address: _____ City, State, Zip: _____	_____%
3. Member Name: _____ Address: _____ City, State, Zip: _____	_____%
4. Member Name: _____ Address: _____ City, State, Zip: _____	_____%
5. Member Name: _____ Address: _____ City, State, Zip: _____	_____%
6. Member Name: _____ Address: _____ City, State, Zip: _____	_____%

NOTE: This form must be completed for each LLC that is involved in the proposed development. If any of the Members are Corporations, Limited Liability Companies, or Limited Partnerships then you must also complete, in addition to this form, one or more of the following, as applicable: FORM CORP, FORM LP, and/or FORM LLC. All necessary forms must be submitted so as to ascertain the Principals of the development.

FORM CORP

CORPORATION	Development Name: _____	
	City: _____, S.C.	
Name of Corporation: _____ Corporation is ____ For Profit ____ Non-Profit		
Address: _____		
City _____ State _____ Zip: _____		
Tax ID Number: _____ or date applied for: _____		
Officers		
President: _____ Vice-President: _____		
Secretary: _____ Treasurer: _____		
Shareholders	Percentage of Ownership	
1. Name _____ Address: _____ City, State, Zip: _____	_____ %	
2. Name: _____ Address: _____ City, State, Zip: _____	_____ %	
3. Name: _____ Address: _____ City, State, Zip: _____	_____ %	
4. Name: _____ Address: _____ City, State, Zip: _____	_____ %	
5. Name: _____ Address: _____ City, State, Zip: _____	_____ %	

NOTE: This form must be completed for **each** Corporation that is involved in the proposed development.

EXHIBIT B

Previous Year's Development Completion Status

All developers awarded a 2017 South Carolina tax credit development must have closed the construction loan and purchased the land in order to receive a 2018 tax credit award. Evidence of the construction loan closing and the recorded warranty or fee simple deed must be provided to the Authority not later than June 2, 2018.

I hereby certify, in my capacity as the developer, general partner, or managing member, that the below referenced 2017 South Carolina tax credit development(s) has met the required completion status as outlined in the 2017-2018 Qualified Allocation Plan Technical Amendment and that the Authority is in receipt of all applicable documents verifying such.

Development Name	ID Number

Signature: _____

Date: _____

By: _____

Its: _____

SC State Housing Finance & Development Authority Verification:

The above information has been reviewed and certified as true:

Signature: _____

Date: _____

By: Laura Nicholson, Development Director

EXHIBIT K

**South Carolina State Housing Finance and Development Authority
2018 Previous Participation Certificate**

Proposed Development Name: _____

I, _____, am a General Partner , a Developer ,
and/or a Managing Member of _____.
(Name of Company or Entity associated with proposed development)

Each **individual** associated with the above Company or Entity that is a general partner, developer or managing member must individually complete this Exhibit K form. If a General Partner, Developer, or Managing Member of the above named company or entity does not complete and submit a completed Exhibit K, the application will be considered incomplete.

1. From January 1, 2010 through February 1, 2018, the total number of multifamily rental properties which you developed and placed in service and that have reached stabilized occupancy: _____
Number of Properties with at least 72 units: _____
Number of Properties with at least 36 units: _____

2. From January 1, 2010 through February 1, 2018, the total number of South Carolina LIHTC properties (both 4% and 9%) which you developed and placed in service and that have reached stabilized occupancy: _____
Number of Properties with at least 72 units: _____
Number of Properties with at least 36 units: _____

3. From January 1, 2010 through February 1, 2018, the total number of out of state LIHTC properties (both 4% and 9%) which you developed and placed in service and that have reached stabilized occupancy: _____
Number of Properties with at least 72 units: _____
Number of Properties with at least 36 units: _____

4. Total number of IRS Form 8823 filed as to your developments for uncorrected non-compliance issues: _____
Have the non-compliance issues been corrected? Yes _____ No _____

If no, explain: _____

5. From January 1, 2010 through February 1, 2018, have you returned an entire allocation of LIHTC in South Carolina? Yes _____ No _____

If yes, explain: _____

6. From January 1, 2010 through February 1, 2018, have you been removed, debarred, or asked to voluntarily withdraw from a LIHTC partnership? Yes_____ No_____

If yes, explain:_____

7. From January 1, 2010 through February 1, 2018, have you been disqualified from participating in any LIHTC Program? Yes_____ No_____

If yes, explain:_____

8. During the past 10 years, has any multifamily rental project you own or developed been in default, assigned to the State or foreclosed? Yes_____ No_____

If yes, explain:_____

9. During the past 10 years, have you defaulted on an obligation covered by a surety or performance bond? Yes_____ No_____

If yes, explain:_____

10. During the past 10 years, have you been debarred, suspended, proposed for debarment or suspension, declared ineligible or voluntarily excluded from any transactions or construction developments involving the use of governmental funds? Yes_____ No_____

If yes, explain:_____

11. During the past 10 years, have you been indicted, charged, convicted of or had a civil judgment rendered against you for a criminal offense in connection with obtaining, attempting to obtain, or performing a public transaction or contract, violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property? Yes_____ No_____

If yes, explain:_____

List all developments, from January 1, 2010 through February 1, 2018, in which you were the **general partner or managing member** from project inception through receipt of Certificate of Occupancy and issuance of 8609s. You may attach a spreadsheet containing the information below. (In order to receive points for the developments listed below, the general partner or managing member must be in compliance and good standing with the syndicator/equity provider as indicated by an Exhibit K-1 submitted with the application):

Development Name	City, State	#Units	Date Completed	Funding Sources (Tax Credit, Conventional, etc.)	Percent of Current Ownership Interest

Certify and acknowledge the following by signing and dating in the signature block below:

Certifications and Acknowledgments

I certify that all the statements made in this Exhibit K are true, complete and correct to the best of my knowledge and belief and are made in good faith.

To the best of my knowledge, I certify that every general partner, developer and managing member associated with the above named Company or Entity has submitted an Exhibit K.

I certify that I do not have any relationship, financial or otherwise, with the SCSHFDA, its staff members and/or its employees other than in the regular course of my business. I further certify that I do not have any involvement with the decision-making process and am not in a position to gain inside information with respect to any federal activities administered by the SCSHFDA.

I acknowledge that Federal funds may be used in connection with the Proposed Development and that this Exhibit K and these certifications will be relied on by the SCSHFDA in connection with SCSHFDA's making financial decisions.

I acknowledge and hereby authorize the SCSHFDA to obtain and release information regarding my experience detailed on the preceding page of this certification.

I acknowledge and understand that the making of any false statement in connection with this application will result in the disqualification of this Development's application and the applications of any other Developments with which I am associated.

Signature: _____

Title: _____

Date: _____

2018 EXHIBIT K-1

**South Carolina State Housing Finance and Development Authority
Previous Development Syndication Compliance Certificate**

I certify that I am applying to the South Carolina State Housing Finance and Development Authority (SCSHFDA) for approval to participate as a Principal in the 2018 Tax Credit Funding Cycle. This certification is being provided to all syndication entities which have a limited partnership interest in one or more of the developments listed below. This certification is to verify my experience with your company.

Signature: _____

Title: _____

Date: _____

****The following information is to be completed by the tax credit applicant:**

Name of Company or Entity this certification is for: _____

List Individuals associated with the above Company or Entity:

	General Partner <input type="checkbox"/>	Managing Member <input type="checkbox"/>
	General Partner <input type="checkbox"/>	Managing Member <input type="checkbox"/>
	General Partner <input type="checkbox"/>	Managing Member <input type="checkbox"/>
	General Partner <input type="checkbox"/>	Managing Member <input type="checkbox"/>

Listed below, or attached as a spreadsheet, are the developments, from January 1, 2010 to February 1, 2018, in which I/We/Us are the general partner(s) or managing member(s) from project inception through receipt of Certificate of Occupancy and issuance of 8609s:

Development Name	City, State	# Units	Date Completed	Funding Sources (Tax Credit, Conventional, etc.)	% of Current Ownership Interest	Syndicator Verification (Initial Box)

****The following information is to be completed by the Syndicator or Asset Manager:**

1. For any developments listed above, that were syndicated by your company, are there major uncorrected noncompliance issues (i.e. defaults, foreclosures, none maintenance of reserve accounts, etc.) outstanding for more than six months? Yes_____ No_____

If yes, provide details: _____

2. From January 1, 2010 through February 1, 2018 have any of the general partner(s) or managing member(s) listed above been removed, debarred, or asked to withdraw voluntarily from a LIHTC partnership in South Carolina? Yes_____ No_____ Unknown _____

If yes, please indicate which individuals: _____

3. From January 1, 2010 through February 1, 2018 have any of the general partner(s) or managing member(s) listed above been removed, debarred, or asked to withdraw voluntarily from a LIHTC partnership in any State? Yes _____, which State: _____ No_____ Unknown _____

If yes, please indicate which individuals: _____

4. Are all general partner(s) or managing member(s) listed above considered to be in good standing with your company **and** would you consider doing business with them again? Yes_____ No_____

If No, please indicate which individuals: _____

I certify that the above information is true and correct and intended to be relied upon by the South Carolina State Housing Finance and Development Authority in the awarding of Low-Income Housing Tax Credits. I understand that the making of any false statement in connection with this certification will result in the disqualification of all proposed 2018 tax credit applications submitted by any member(s) of the development team. I have initialed the relevant box(es) on page 1 for which I am certifying.

Name and Address of Syndication Entity: _____

Representative Name: _____

Signature: _____

Title: _____

Email Address: _____

Date: _____

EXHIBIT G

South Carolina State Housing Finance and Development Authority 2018 Architect and/or Professional Engineer Certification

Development Name: _____ Total # of Bldgs. in the project: _____

Low Income Units

Unit Type:	# of Units:	# of Baths:	Heated Area:	Total Heated Area:
Efficiency	_____	_____	_____ s.f.	_____ s.f.
1 Bedroom	_____	_____	_____ s.f.	_____ s.f.
2 Bedroom	_____	_____	_____ s.f.	_____ s.f.
3 Bedroom	_____	_____	_____ s.f.	_____ s.f.
4 Bedroom	_____	_____	_____ s.f.	_____ s.f.
Living Units Total:	_____		Sub-Total Residential Heated Sq. Ft.:	_____ s.f. (A)

Type:	# of Type:	Area:	Total Area:
Covered Porches	_____	_____ s.f.	_____ s.f.
Breezeways	_____	_____ s.f.	_____ s.f.
Outside Storage	_____	_____ s.f.	_____ s.f.
Other: _____	_____	_____ s.f.	_____ s.f.
TOTAL NON-HEATED AREA:			_____ s.f.

Market Rate Units

Unit Type:	# of Units:	# of Baths:	Heated Area:	Total Heated Area:
Efficiency	_____	_____	_____ s.f.	_____ s.f.
1 Bedroom	_____	_____	_____ s.f.	_____ s.f.
2 Bedroom	_____	_____	_____ s.f.	_____ s.f.
3 Bedroom	_____	_____	_____ s.f.	_____ s.f.
4 Bedroom	_____	_____	_____ s.f.	_____ s.f.
Living Units Total:	_____		Sub-Total Residential Heated Sq. Ft.:	_____ s.f. (B)

Type:	# of Type:	Area:	Total Area:
Covered Porches	_____	_____ s.f.	_____ s.f.
Breezeways	_____	_____ s.f.	_____ s.f.
Outside Storage	_____	_____ s.f.	_____ s.f.
Other: _____	_____	_____ s.f.	_____ s.f.
TOTAL NON-HEATED AREA:			_____ s.f.

COMMON AREAS

Office Area:	_____ s.f.	_____ s.f.
Laundry:	_____ s.f.	_____ s.f.
Exercise Room:	_____ s.f.	_____ s.f.
Computer Room:	_____ s.f.	_____ s.f.
Community Building:	_____ s.f.	_____ s.f.
Other: _____	_____ s.f.	_____ s.f.
Sub-Total Non-Residential Heated Sq. Ft.:		_____ s.f. (C)

TOTAL HEATED AREA (A+B+C): _____ s.f.

NOTE: All square footages listed on Exhibit G must match those listed in the tax credit application. All heated and non-heated square footage for the entire development must be included on this form and on any submitted drawings.

MANDATORY DESIGN CRITERIA

The development **will be** designed and constructed incorporating the following **Mandatory Design Criteria** included at no extra cost to the tenants.

For All Development Types:

1. Window coverings for each window, including glass doors, must be installed. Metal blinds are not permitted.
2. All kitchen and bathroom interior cabinets must be solid wood or wood/plastic veneer products with dual slide tracks on drawers. New cabinets must have solid wood dual sidetrack drawers and no laminate or particleboard fronts for doors or drawer fronts. Cabinets shall meet the ANSI/KCMA A1 61.1 performance and construction standard for kitchen and vanity cabinets. Cabinets shall bear the certification seal of KCMA (Kitchen Cabinet Manufacturers Association).
3. All entry doors must be metal-clad wood, steel or fiberglass doors that are insulated, paneled, and have a peephole. Deadbolt locks are required in entry doors. Dead bolt locks on entry doors should have "thumb latch" on interior side. Double keyed dead bolt locks are prohibited. The minimum clear width of all exterior doors shall be 34 inches.
4. Bi-fold and sliding interior doors are prohibited. All doors must be side hinged.
5. A landscaping plan must be submitted indicating areas to be sodded and landscaped. Landscaping plan(s) must follow any applicable landscape municipal ordinance. At a minimum, sod shall be installed on the front and side areas to a point twenty (20'-0") feet from the building(s). Landscaping may incorporate sod and drought resistant plants and shrubs. All disturbed areas not sodded must be seeded. The Authority reserves the right to approve the final landscaping installation and require modifications.
6. All retention and/or detention ponds must be fenced in unless a letter is provided from the Department of Health and Environmental Control (DHEC) that a fence is not required. The storm water retention/detention basin design, maintenance and management shall be the sole responsibility of the owner/developer and shall be in strict accordance with all applicable federal, state, local and environmental regulations governing storm water retention/detention basins.
7. A recreation area suitable for proposed tenant targeting:
 - a. For family developments – (i) Playground for children located away from automobile traffic patterns with commercial quality play equipment (the playground area must have a minimum of four (4) separate pieces of equipment or a structure that encompasses a minimum of four (4) pieces of equipment) accessible to handicapped traffic and at least one permanently anchored, weather resistant bench, with a back, or (ii) an exercise room with a minimum of three nautilus-type work-out machines (this room's square footage may be included in the minimum 1,200 sq. ft. community building);
 - b. For older persons developments – (i) An exercise room with a minimum of three (3) nautilus type work-out machines (this room's square footage may be included in the minimum 1,200 sq. ft. community building), or (ii) a minimum of one gazebo that is covered, with bench seating, equipped with an Energy Star ceiling fan with light fixture.
8. A new development sign at the entrance(s) to the complex affixed with a Fair Housing logo.
9. Exterior lighting fixtures at all entry doors including individual apartment units, community buildings, and common areas within the building(s). Fixtures at the individual apartment units are to be controlled from the interior of the unit.
10. Enclosed trash dumpsters and/or compactors. The dumpster must be enclosed by solid fencing on at least three sides. The pad and approach pad to the dumpster must be concrete and not asphalt. The trash dumpster/compactor must be ADA accessible and located on an ADA accessible route.
11. Roofing materials shall be anti-fungal shingles with a minimum 25-year warranty.
12. The following Energy Star appliances must be provided in each unit: Full sized refrigerator-freezer, with ice maker, having a minimum size of fourteen (14) cubic feet.
13. At least fourteen (14) SEER HVAC units must be installed. If the Physical Needs Assessment, completed for a rehabilitation development, does not recommend replacement of existing HVAC units in the development, this mandatory criterion is waived. However, any replacement HVAC units installed in the development must be at least fourteen (14) SEER. All refrigeration lines must be insulated. All developments must have central heat and air. Window units are not allowed for any development type.
14. A laundry facility containing: (a) at least one (1) commercial washer and one (1) commercial dryer per twenty-four (24) units; and (b) adequate seating and at least one (1) table for folding clothes. For developments containing more than one hundred (100) rental units that also provide washer and dryer hookups in all units, a minimum of one (1) commercial washer and one (1) commercial dryer per thirty-two (32) units is required. Single family detached unit, townhouse, or duplex developments must provide a washer and dryer hookup in every unit. Developments providing washers and dryers in all rental units are not required to provide a laundry facility.
15. Each unit must be equipped with a 5 lb. ABC rated dry chemical fire extinguisher readily accessible in the kitchen and mounted to accommodate handicapped accessible height in accessible units. Fire extinguisher

must be either clearly visible or if contained in a cabinet/pantry area must have signage identifying location.

16. Wall switch controlled Energy Star rated overhead lighting is required in all rooms.
17. Sites located in a Radon Zone-1 (highest level) will require Radon Resistant New Construction Practices. Rehabilitation projects must meet the Radon Mitigation Standards as required by the Environmental Protection Agency.
18. All new construction developments must submit a complete site specific soils report and boring site plan, not more than one year old at the time of submission of final plans and specifications, bound within the project specifications. Rehabilitation projects adding any new building foundations must submit a foundation specific soils report. The soils report must reflect the results of laboratory tests conducted on a minimum of one (1) soil boring per planned building location and a minimum total of two (2) soil borings at the planned paved areas of the development. A registered professional engineer or a certified testing agency with a current license to practice in the State of South Carolina must prepare the report. Rehabilitation projects adding any new building foundations must also submit a foundation specific soils report and boring site plan.
19. Metal flashing or 20 mil polyethylene when used in conjunction with a self-adhering polyethylene laminate flashing, must be installed above all exterior door and window units.
20. Mailboxes, playground and all exterior project amenities must be ADA accessible.
21. Exterior wall insulation must have an overall R-13 minimum for the entire wall assembly and roof or attic insulation must have an R-30 rating minimum.
22. Tub/shower units must have minimum dimensions of 30-inch width by 60-inch length and be equipped with anti-scald valves. All shower units without a tub must have minimum dimensions of 36-inch width by 48-inch length (ADA approved shower). All tubs in designated handicap accessible units must come complete with "factory-installed grab bars".
23. Mirror length must extend to top of vanity backsplash with top of mirror a minimum of 6'-0" above finish floor. Framed decorative mirrors or medicine cabinets with mirrors are allowed with a minimum size of 14" x 24" and must be hung with the top of mirror a minimum of 6'-0" above finish floor. Vanity cabinets or a medicine cabinet shall be provided in all units. All cabinets in designated handicap accessible units must be installed at ADA mounting heights.
24. Water heaters must be placed in drain pans with drain piping plumbed to disposal point as per the latest approved addition of the International Plumbing Code.
25. Pipe all Temperature & Pressure (T&P) relief valve discharges to disposal point as per the latest approved edition of the International Plumbing Code.
26. Exterior shutters (new not recycled) are required on all 100% vinyl siding buildings. Only existing rehabilitation developments may have 100% vinyl building exteriors.
27. Roof gable vents must be made of aluminum or vinyl materials.
28. All attics must be vented.
29. Carpet and Resilient flooring materials must meet minimum FHA standards.
30. Each bedroom and hallway, etc. must have, as required by Code (local, state or Federal) a hard-wired battery back-up smoke detector.
31. All materials for construction must meet all local, state, and federal and environmental regulations and specifications.
32. A carbon monoxide detector must be installed in each unit with gas mechanical systems or gas appliances. Units with an attached garage must also have a carbon monoxide detector installed. A combination unit smoke detector and carbon monoxide detector can be used to meet this requirement.
33. Pre-finished fascia and soffits must be vinyl covered aluminum and/or perforated cementitious panels with vents.
34. Gutter and downspout systems complete with splash blocks will be supplied surrounding all residential buildings.
35. Gazebos, Picnic Shelters, Mail Kiosks, etc.: Exposed components used as part of the structure must be constructed so that no wood is exposed. Concealment shall be with materials such as aluminum or vinyl siding or cementitious materials. Decorative rails and/or guard rail systems used shall be code compliant systems of vinyl, fiberglass or metal. Wood railings are not allowed. Gazebos and picnic shelters shall have table and bench seating.
36. At a minimum, all development must meet the 2006 International Energy Conservation Code.
37. Developments that have units, by bedroom size, smaller than the following square footages are considered to be obsolete units and are not eligible for funding:

<u>Bedrooms per Unit</u>	<u>Minimum Sq. Ft. per Unit</u>
One	500
Two	700
Three	850
Four	1,000

For All New Construction Developments:

1. All units must be equipped with an Energy Star rated dishwasher and an Energy Star rated hot water heater with an energy factor of 0.61 for gas or 0.93 for electric. Submit manufacturer's data sheet with plans.
2. All units must have Energy Star rated windows. Submit manufacturer's data sheet with plans.
3. All units must have an Energy Star rated HVAC system. Submit manufacturer's data sheet with plans.
4. Lighting must be in all common area corridors, stairwells, and the community room. Interior light fixtures to be fitted with Energy Star light bulbs.
5. Low flow water saving features must be used- low flow showerheads, low flow kitchen and bathroom faucets, and low flow toilets. Submit manufacturer's data sheet with plans.
6. Washer/dryer hookups in all units.
7. A minimum 1200 square foot community building to include a kitchen/break room area equipped with, at a minimum, a sink and refrigerator and either a stove/microwave. Entire facility must be ADA compliant. The square footage counted towards this total may include a leasing office, an equipped exercise room, and an equipped computer center. Laundry rooms and storage/maintenance rooms will not be counted as part of the 1200 square foot minimum. For developments proposing the second phase of a previously completed contiguous tax credit development, the requirement for an additional 1200 square foot community building is waived. However, it is required that laundry facilities be provided to the new phase and must be constructed on the site of the proposed phase. The mandatory laundry facility requirements under Section V. Mandatory Design Criteria, item 14 must be met.
8. All units pre-wired for cable television hook-ups in the living room and one (1) per bedroom.
9. Units with three (3) or more bedrooms must have a minimum of two (2) full bathrooms.
10. The minimum bedroom size for the primary bedroom in each unit must be at least 168 square feet. All other bedrooms must be a minimum 120 square feet. The minimum bedroom square footage excludes the closet space.
11. All older persons (55+ years) and elderly developments will be one-story structures, or if greater than one story, all stories will be accessible by elevators.
12. All sidewalks and walkways shall be a minimum of 36" in width and made of concrete and shall provide access to all parking spaces, front entryway doors, common amenities and driveways and shall be ADA compliant.
13. Sliding glass doors are prohibited.
14. Water closets must be centered, at a minimum, 18 inches from sidewalls or vanity/lavatories.
15. Public use stairway components, such as stringers, treads, and risers must be constructed from steel or concrete. Handrails and pickets must be constructed from steel or aluminum.
16. Patio and porch/balcony components used as part of the building shall have concrete slabs or decks and must be constructed so that no wood is exposed. Concealment shall be with materials such as aluminum or vinyl siding or cementitious materials. Structural wood columns shall be at a minimum 6" x 6" pressure treated columns concealed as noted above with properly sized fiberglass, high density urethane or aluminum columns. Decorative rails and/or guard rail systems used at porches and patios shall be code compliant systems of vinyl, fiberglass or metal. Wood railings are not allowed.
17. Wall Framing: Sound proofing or sound batt insulation is required between the stud framing in party walls. A sound rating of STC 54 is required.
18. Fluorescent lighting is required in the kitchen.

For All Single Family Townhouse, and Duplex Developments:

1. All detached single family homes must contain a minimum of three (3) bedrooms and two (2) full bathrooms.
2. All townhouses must contain a minimum of two (2) bedrooms and one and one-half bathroom. At a minimum, a half bathroom must be located on the first floor.
3. All duplexes must contain a minimum of two (2) bedrooms and one and one-half bathroom.
4. Developments must have concrete driveways, curbing at street and front entry walkways.
5. All new construction developments must have a washer and dryer hookup in each unit.
6. All HVAC and hot water heaters must be contained within the unit/building. These may not be located in the attic or crawl space.

For All Rehabilitation Developments:

Any of the following mandatory items (not to include repainting of the entire unit) replaced on or after January 1, 2011 are not required to be replaced as part of the rehabilitation.

1. Replace and install new flooring in each unit. At a minimum, tile must be VCT or better.
2. Entire unit (all rooms and ceilings) must be repainted.
3. New bathroom fixtures must be installed to include the following:
 - a) New tub and new shower, re-glazing not allowed. Three piece surround insert is acceptable. All caulking must be replaced.

- b) Replace sink, vanity and plumbing fixtures with new. Vanity to include, at a minimum, a pull out drawer and/or storage area.
 - c) New toilet.
 - d) Install new re-circulating exhaust fan.
 - e) Install new water supply valves.
4. New kitchen fixtures must be installed to include the following:
 - a) Dual track sliding drawers.
 - b) New double sink and plumbing fixtures.
 - c) New stove with re-circulating exhaust fan.
 - d) New Energy Star rated refrigerator, with ice maker that is a minimum of 14 cubic feet.
 - e) Install new water supply valves.
 5. All entry doors must be steel or fiberglass doors that are insulated, paneled, and have a peephole.
 6. New Energy Star hot water heaters with an energy factor greater than 0.61/gas or 0.93/electric.
 7. Replace all windows with insulated, double pane glass in either vinyl or aluminum framing.
 8. All units wired for high speed (broadband) Internet hook-up with at least one (1) centrally located connection port or wireless computer network. All wires to be hidden.
 9. Units with existing washer/dryer connections must replace and install new water supply fixtures and valves.
 10. All older persons (55+ years) and elderly acquisition/rehabilitation developments may have more than one-story, provided that existing elevators, receiving regular maintenance, are in good working condition as of the initial Tax Credit Application submittal date and service all upper level rental units. Those developments without existing elevators will be required to install elevators.
 11. Window blinds and exterior window screens to be replaced.
 12. Replace all damaged and worn interior doors, jambs, frames, and hardware.

For All Adaptive Reuse Developments:

The definition of "adaptive reuse" is the conversion of an existing non-residential building(s) into a residential building(s). The architect must certify on **Exhibit G** that the development will meet the following requirements:

1. A minimum of fifty percent (50%) of the square footage of each existing building(s) must be converted to residential use; and
2. If additional buildings/units are constructed to provide additional space, the total square footage of the previously existing building(s) must constitute a minimum of fifty percent (50%) of the total square footage of the entire development.
3. Reseal all asphalt parking and roadway surfaces throughout the development.

MARK the appropriate box(es) below, thereby indicating that the development will be designed and constructed incorporating the design criteria selected:

Optional Development Design Criteria:

- 1. Roof shingles must be architectural style anti-fungal and warranted for a minimum of thirty (30) years.
- 2. Attic insulation rated at R-38 or higher.
- 3. Energy Star rated HVAC systems (15 SEER or grater) in all units.
- 4. All units must have a balcony, sunroom, or patio. A sunroom must contain a minimum of three (3) window panels and have distinct architectural separation from the living room. Patios must be at lease 64 sq. ft. Front porches are not considered patios.
- 5. Curbing for paved areas throughout the development site including the parking areas.
- 6. Gazebo (Must be covered and have bench seating; must be permanently affixed and constructed in place; be ADA compliant, accessible and contain a minimum of 100 square feet) or covered picnic shelter (must have a table and bench seating and must be ADA compliant and accessible) in an appropriate location.
- 7. Irrigation/sprinkler system serving all landscaped areas.
- 8. Underground utilities (gas/electric, cable and phone) throughout the development site.
- 9. Provide in the community room a minimum of two (2) current updated computer systems, manufactured within the last 12 months, to include new computers, new printers, and a new scanner. The computers must be equipped with high speed Internet service (e.g. broadband or cable).
- 10. Each unit must have an Energy Star ceiling fan with light fixture in the living room and all bedrooms. All ceiling fans and overhead lights must connect to wall switches.
- 11. Full size Energy Star refrigerator, with ice maker, having a minimum size of eighteen (18) cubic feet.
- 12. All units must be pre-wired for high speed (broadband) Internet hook-up with at least one (1) centrally located connection port and connection ports in all bedrooms or wireless computer network.
- 13. Over the range mounted microwave oven, with re-circulating fan, in all units.

- 14. All units must have a Range Queen, Fire Stop, Auto Stop or comparable extinguishing system over the stove.
- 15. A minimum square footage per unit based on the number of bedrooms per unit specified as follows. To qualify, all of the units must meet the minimum square footage per unit. The Authority considers the square footage of an individual unit to be the usable living space measured from the interior wall to interior wall.

Bedrooms per unit	Minimum Sq. Ft. per Unit
One	750
Two	950
Three	1100
Four	1250

- 16. Providing bathrooms per unit based on the number of bedrooms according to the following. To qualify, all the units must provide the minimum number of bathrooms as specified.

Bedrooms per unit	Bathrooms per unit
One	One Full
Two	One Full and One ¼ bath
Three	Two Full
Four	Two Full and One-Half

- 17. A minimum eight (8) camera video security system with at least one (1) camera monitoring all of the following areas: front of buildings, back of buildings, all levels of breezeways, community room, computer room, rental office, all site entrance/exit roadways, and parking area(s).
- 18. One (1) rental unit reserved for a security officer, on-site manager or maintenance person.
- 19. Walking trails, minimum 4 feet wide, paved and continuous. Trail should be a minimum 1250 linear feet. At a minimum one (1) permanently anchored weather resistant bench with back at the mid-point of the trail.
- 20. Perimeter fencing extending around all sides of the development site, except the development entrance(s). Chain link fencing not allowed.
- 21. Development to be built to meet, at a minimum, the Version 3.0 Energy Star Certification.
- 22. Provide an easily-accessible area that serves the entire development and is dedicated to the collection and storage of non-hazardous material for recycling, to include paper, corrugated cardboard, glass, plastics, and metals.

The following Optional Development Design Criteria are for rehabilitation developments only:

- 23. Install Energy Star rated dishwashers in all units.
- 24. Install overhead light fixture connected to a wall switch in the living room and all bedrooms. All light fixtures to be fitted with Energy Star light bulbs.
- 25. Provide one and one-half (1.5) bathrooms in all units with two (2) or more bedrooms.
- 26. Minimum bedroom size for all bedrooms in each unit is 120 square feet. The minimum bedroom square footage excludes the closet space.
- 27. Provide a minimum 1200 square foot community building excluding laundry and storage/maintenance areas.
- 28. Provide hookups for standard size washers/dryers in all units.
- 29. Energy Star rated windows in all units.
- 30. In all units, existing appliances replaced with full size Energy Star refrigerator, with ice maker, having a minimum size of eighteen (18) cubic feet; and an Energy Star rated dishwasher; and an Energy Star rated hot water heater with an energy factor greater than 0.61/gas or 0.93/electric.

Development Criteria:

- Development size- New Construction **(threshold):**
 ___ Development has at least 32 total units but has no more than 72 total units.
- Development size- Rehabilitation **(choose only one):**
 ___ Development has at least 24 total units and is at or below 88 total units.
 ___ Development has 89 to 104 total units.
- Durable construction, with respect to each building, one of the following applies **(choose only one):**
 ___ Brick/stone veneer or stucco minimum 60% and remaining exterior fiber cement and/or hardiplank.
 ___ Brick/stone veneer or stucco minimum 50% and remaining exterior fiber cement and/or hardiplank.
 ___ Brick/stone veneer or stucco minimum 30% and remaining exterior fiber cement and/or hardiplank.
 ___ Brick/stone veneer or stucco minimum 50% and remaining exterior siding to be vinyl siding with a thickness of at least .044 mils; or full fiber cement.

For Adaptive Reuse Developments Only:

- ___ A minimum of fifty percent (50%) of the square footage of each existing building(s) must be converted to residential use; and
- ___ If additional buildings/units are constructed to provide additional space, the total square footage of the previously existing building(s) constitutes a minimum of fifty percent (50%) of the total square footage of the entire development.

For proposed Older Persons and Elderly Developments:

- ___ Yes ___ No Development contains all one-story units.
- ___ Yes ___ No Development currently has or will have elevator service to all upper level units.

Architect and/or Professional Engineer Certification:

The undersigned certifies to the South Carolina State Housing Finance and Development Authority (SCSHFDA) that (1) the above information is true and correct; (2) the development **will be** constructed in accordance with the mandatory and optional design criteria as stated in the body of this certification; and (3) the architect and/or professional engineer has reviewed the plans and specifications of the development to ensure that such plans and specifications comply with and the development has been constructed to comply with the accessibility and other requirements of Section 504 of the Rehabilitation Act, the Fair Housing Amendments to the Civil Rights Act of 1968, the American With Disabilities Act, 2010 Americans with Disabilities Act Accessibility Guidelines, local building codes, and any other applicable State or Federal legislation. The undersigned further certifies that s/he will verify that the construction of the development will meet, at a minimum, the following seven specific requirements based on HUD's Fair Housing Act regulations (24 C.F.R. Part 100 as modified or explained in guidelines, manuals, Q&A's, etc.): (1) accessible building entrance on an accessible route, (2) accessible and usable public and common use areas, (3) usable doors, (4) accessible route into and through the covered dwelling unit, (5) light switches, electrical outlets, thermostats and other environmental controls in accessible locations, (6) reinforced walls for grab bars, and (7) usable kitchens and bathrooms. **The undersigned acknowledges that the foregoing certifications will be relied upon by the SCSHFDA and that any misrepresentation, whenever discovered, will result in a) the undersigned and the Developer both being debarred from participation in any Authority administered programs for a minimum of one (1) year and b) the filing of a complaint against the architect/professional engineer with the S.C. Department of Labor, Licensing and Regulation.**

Firm: _____

Date: _____

By: _____

License #: _____

Its: _____

2018 FORM 2 - SITE SERVICE DISTANCES <small>Note: This form is prepared by the Applicant for the Authority's review and verification. It is within the Authority's sole discretion to make final determinations of distances and point allocations related to all items. See the applicable Qualified Allocation Plan or Low Income Housing Tax Credit Manual for additional information related to site service distances.</small>		PROJECT NAME:		Site Entrance(s) Longitude and Latitude GPS Coordinates:		
		ADDRESS :		Site Entrance No. 1		Site Entrance No. 2
CITY:		COUNTY :		Longitude		Longitude
				Latitude		Latitude
TAB NO.	SERVICE DESCRIPTION	SERVICE NAME	SERVICE STREET ADDRESS	DISTANCE TO SERVICE	ESTIMATED POINTS	SPECIAL NOTATIONS / COMMENTS
A	FULL SERVICE GROCERY STORE - Full service store with regular business hours offering a full range and variety of foods, cleaning and paper products.					
	Alternate Full Service Grocery Store-					
B	PHARMACY OR DRUG STORE- does not include speciality stores for patients of a designated practice					
	Alternate Pharmacy or Drug Store-					
C	CONVENIENCE STORE and GAS STATION COMBINATION - walkup or window only convenience service not allowed					
	Alternate Convenience Store and Gas Station combination-					
D	RESTAURANT- Must possess a current restaurant license issued by SC DHEC must have tables and chairs for dine in eating					
E	ENTERTAINMENT VENUES: Museums-Cinemas-Public Libraries-Bowling Alleys-Roller/Ice Skating Rinks-Miniature Golf- College/Professional Sporting Event Venue-Water Park-Zoo-Bingo Hall					
F	RETAIL SHOPPING AREAS: Malls or strip malls with a minimum of 4 retail stores.					
G	DOCTOR'S OFFICE - Staffed full time with General Practitioner or Nurse Practitioner and open to general public. Emergency Clinics, Urgent Care, Minute Clinics with full time Nurse Practitioner or Physician's Assistant.					
H	PUBLIC SCHOOLS - Elementary - Middle - High Schools must be open and operational at time of inspection					
I	FIRE STATION OR VOLUNTEER FIRE STATION - Must be open and operational at time of inspection					
J	FULL SERVICE BANK OR PUBLIC CREDIT UNION- free standing ATMs do not qualify					
K	PUBLIC PARK - PLAYGROUND - SENIOR ACTIVITY CENTER - RECREATION CENTER - YMCAs - Open to the public, no playgrounds at churches or schools, no private gyms					

Positive Site Service Point Scale						
	1/2 MI.	1 MI.	1 1/2 MI.	2 MI.	2 1/2 MI.	3 MILE
FULL SERVICE GROCERY STORE -	4 pts.	3.5	3	2.5	2	1.5
PHARMACY OR DRUG STORE	4 pts.	3.5	3	2.5	2	1.5
CONVENIENCE STORE AND GAS STATION COMBINATION	4 pts.	3.5	3	2.5	2	1.5
RESTAURANT-	3 pts.	2.5	2	1.5	1	0.5
ENTERTAINMENT VENUES:	3 pts.	2.5	2	1.5	1	0.5
RETAIL SHOPPING AREAS:	3 pts.	2.5	2	1.5	1	0.5
DOCTOR'S OFFICE	3 pts.	2.5	2	1.5	1	0.5
PUBLIC SCHOOLS	3 pts.	2.5	2	1.5	1	0.5
FIRE STATION OR VOLUNTEER FIRE STATION				1.5	1	0.5
FULL SERVICE BANK OR PUBLIC CREDIT UNION	3 pts.	2.5	2	1.5	1	0.5
PUBLIC PARK - PLAYGROUND - SENIOR ACTIVITY CENTER - RECREATION CENTER	3 pts.	2.5	2	1.5	1	0.5

Form 3

2018 Developer Relocation Certification and Tenant Profile Form
For Acquisition/Rehabilitation Developments Only

Development Name: _____

Development Address: _____

City: _____

County: _____

Total number of units in the development: _____

Total number of units currently occupied: _____

Total number of units currently vacant: _____

1. Will there be **permanent** relocation of tenants? Yes or No

Number of tenants to be permanently relocated: _____

Percentage of tenants to be permanently relocated: _____%

NOTE: No more than 10% of the existing tenants may be displaced permanently.

2. Will there be **temporary** relocation of tenants? Yes or No

Number of tenants to be temporarily relocated: _____

Percentage of tenants to be temporarily relocated: _____%

If there is to be temporary or permanent displacement of tenants in the proposed development then a relocation plan **must** be submitted with this certification. The following items must be clearly outlined in the plan:

- (1) Relocation coordinator's name and phone number;
- (2) How the tenants will be relocated;
- (3) Average cost per tenant and/or family for relocation;
- (4) Total relocation cost to be incurred; and
- (5) Source of funds paying for relocation.

Applicant: _____

Date: _____

By: _____

EXHIBIT U

Example of Utility Allowance Schedule

(Amounts are for example only and do not represent any actual utility allowances.)

Utilities	Gas/Electric/Oil	Utilities paid by:				Enter Allowances by Bedroom Size				
						0 BR	1 BR	2 BR	3 BR	4 BR
Heating	Electric		Owner	X	Tenant	10.64	14.88	19.20	23.44	29.84
Air Cond.	Electric		Owner	X	Tenant	9.44	13.20	16.96	20.72	26.32
Cooking	Electric		Owner	X	Tenant	4.40	6.16	7.92	9.68	12.32
Lighting	Electric		Owner	X	Tenant	13.04	18.16	23.44	28.64	36.40
Hot Water	Gas		Owner	X	Tenant	9.66	13.10	17.39	21.25	27.12
Elec. Facilities			Owner	X	Tenant	6.50	6.50	6.50	6.50	6.50
Gas Facilities			Owner	X	Tenant	3.00	3.00	3.00	3.00	3.00
Water		X	Owner		Tenant					
Sewer		X	Owner		Tenant					
Trash		X	Owner		Tenant					
Range			Owner		Tenant	N/A	N/A	N/A	N/A	N/A
Refrigerator			Owner		Tenant	N/A	N/A	N/A	N/A	N/A
Other			Owner		Tenant					
Total Utility Allowance for Units:						56.68	75.00	94.41	113.23	141.50
Tenant is not furnishing any appliances in these units.										
Total Utility Allowance (rounded up to the nearest dollar):						57.00	75.00	95.00	114.00	142.00

NOTE: This document is provided only as an example of the information to be furnished by the Applicant on the Source of Utility Allowance Calculation schedule on page 6 of the application. You do not need to submit this document with the application.

Exhibit R

2018 Physical Needs Assessment Certification Form

I, _____, have completed a physical needs assessment report for the proposed development, _____, which is located at _____, _____ County, South Carolina.

I hereby certify that all of the repairs outlined in the physical needs assessment report dated _____ are needed and necessary repairs and that said report is based on a **100% physical inspection of all units** in the development.

I hereby certify that the following major systems have not been replaced within the past seven (7) years: _____

_____.

Based on my calculations, I hereby certify that a total of \$_____ per unit in **hard construction costs** needed and necessary in the rehabilitation of this property.

Assessor's Signature: _____
Assessor's Name: _____
Company: _____
Phone Number: _____ Fax Number: _____
Date: _____

M-47T HOME/Tax Credit Eligibility Certification

I, _____, as the principle for the following proposed project (s) named _____ located at _____, hereby certify that I am eligible to compete in the 2018 HOME and Tax Credit combined cycle. In order to receive a conditional commitment of HOME funds in conjunction with Tax Credits, I understand that any or all of the following provisions which are applicable must be met by March 2, 2018:

- All 2015 HOME and previous State HOME awards must be officially closed out; and/or
- All 2016 HOME awards must have a minimum of seventy-five percent (75%) of the funds drawn or seventy-five percent (75%) of the development completed; or
- Applicant has not previously received State HOME funds; and
- Written confirmation from the Awards Management Manager regarding HOME award completion percentages is provided below with the initial application submission.

List all State HOME project awarded since 2015:

Project Name	HOME Award Number	Percent Complete	Project completed within Implementation Schedule/Agreement (Yes/No)	Verified (to be completed by State)

Applicant Name: _____
 Authorized Representative (**Please Print**): _____
 Authorized Representative's Signature: _____
 Date: _____

SC State Housing Finance & Development Authority
 Jennifer Cogan's Signature: _____
 Date: _____

AGENCY USE ONLY:

- Applicant is eligible to compete
- Applicant is not eligible to compete

Comments:

Exhibit 2 - General Information Notice
SAMPLE Residential Tenant that WILL NOT BE DISPLACED

GUIDEFORM GENERAL INFORMATION NOTICE RESIDENTIAL TENANT NOT DISPLACED

Applicant's Letterhead

(Date)

Dear _____:

_____, is interested in rehabilitating the property you currently occupy at _____ for a proposed project which may receive funding assistance from the U.S. Department of Housing and Urban Development (HUD) under the HOME Investment Partnerships Program.

The purpose of this notice is to inform you that you will not be displaced in connection with the proposed project.

If the project application is approved and federal financial assistance provided, you may be required to move temporarily so that the rehabilitation can be completed. If you must move temporarily, suitable housing will be made available to you and you will be reimbursed for all reasonable out of pocket expenses, including moving costs and any increase in housing costs. You will need to continue to pay your rent and comply with all other lease terms and conditions.

Upon completion of the rehabilitation, you will be able to lease and occupy your present apartment or another suitable, decent, safe and sanitary apartment in the same building/complex under reasonable terms and conditions not to exceed the greater of (a) your current rent/average utility costs, or (b) 30% of your average monthly gross household income.

If federal financial assistance is provided for the proposed project, you will be protected by a federal law known as the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA). One of the URA protections for persons temporarily relocated is that such relocations shall not extend beyond one year. If the temporary relocation lasts more than one year, you will be contacted and offered all permanent relocation assistance as a displaced person under the URA. This assistance would be in addition to any assistance you may receive in connection with temporary relocation and will not be reduced by the amount of any temporary relocation assistance previously provided. You will also have the right to appeal the agency's determination, if you feel that your application for assistance was not properly considered.

(NOTE: Pursuant to Public Law 105-117, aliens not lawfully present in the United States are not eligible for relocation assistance, unless such ineligibility would result in exceptional hardship to a qualifying spouse, parent, or child. All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.)

We urge you not to move at this time. If you choose to move, you will not be provided relocation assistance.

Please Remember:

- This is not a notice to vacate the premises.
- This is not a notice of relocation eligibility.

You will be contacted soon so that we can provide you with more information about the proposed project. If the project is approved, we will make every effort to accommodate your needs. In the meantime, if you have any questions about our plans, please contact: (name) _____, (title) _____, (address) _____, (phone) _____.

Sincerely,
(name and title) _____

NOTES:

1. The application must include documentation of the manner in which this notice was delivered (e.g., personally served or certified mail, return receipt requested) and the date of delivery.
2. This is a guide form. It should be revised to reflect the circumstances

Exhibit 3 - General Information Notice
SAMPLE Residential Tenant TO BE DISPLACED

GUIDEFORM GENERAL INFORMATION NOTICE RESIDENTIAL TENANT TO BE DISPLACED

Applicant's Letterhead
(Date)

Dear _____:

_____ is interested in _____
the property you currently occupy at _____ for a proposed project which may receive
funding assistance from the U.S. Department of Housing and Urban Development (HUD) under the HOME
Investment Partnerships Program.

The purpose of this notice is to inform you that you may be displaced as a result of the proposed project. This notice also serves to inform you of your potential rights as a displaced person under a federal law known as the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA). You may be eligible for relocation assistance and payments under the URA, if the proposed project receives HUD funding and if you are displaced as a result of acquisition, rehabilitation or demolition for the project.

- **This is not a notice to vacate the premises.**
- **This is not a notice of relocation eligibility.**

If you are determined to be eligible for relocation assistance in the future, you may be eligible for: 1) Relocation advisory services including help to you find another place to live; 2) At least 90 days advance written notice of the date you will be required to move; 3) Payment for your moving expenses; and 4) Replacement housing payments to enable you to rent, or if you prefer to purchase, a comparable replacement home. You will also have the right to appeal the agency's determination, if you feel that your application for assistance was not properly considered. The enclosed HUD brochure, "Relocation Assistance To Tenants Displaced From Their Homes" provides an explanation of this assistance and other helpful information.

(NOTE: Pursuant to Public Law 105-117, aliens not lawfully present in the United States are not eligible for relocation assistance, unless such ineligibility would result in exceptional hardship to a qualifying spouse, parent, or child. All persons seeking relocation assistance will be required to certify that they are a United States citizen or national, or an alien lawfully present in the United States.)

Please be advised that you should continue to pay your rent and meet any other obligations as specified in your lease agreement. Failure to do so may be cause for eviction. If you choose to move or if you are evicted prior to receiving a formal notice of relocation eligibility you will not be eligible to receive relocation assistance. It is important for you to contact us before making any moving plans.

Again, this is not a notice to vacate the premises and does not establish your eligibility for relocation payments or assistance at this time. If you are determined to be displaced and are required to vacate the premises in the future, you will be informed in writing. In the event the proposed project does not proceed or if you are determined not to be displaced, you will also be notified in writing.

If you have any questions about this notice or the proposed project, please contact: (name) _____,
(title) _____, (address) _____, (phone) _____.

Sincerely,

(Name and title) _____

Enclosure

NOTES:

1. **The application must include documentation of the manner in which this notice was delivered (e.g., personally served or certified mail, return receipt requested) and the date of delivery. This is a guide form. It should be revised to reflect the circumstances.**

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Relocation Plan: (Check all that apply)

- N/A - Tenants will remain in current unit during rehabilitation.
- Temporary Relocation-Tenants will be moved to other units in the complex during rehabilitation and will return to rehabilitated unit once renovations are completed.
- Temporary Relocation- Tenants will be moved off-site during rehabilitation and will return to rehabilitated unit once renovations are completed.
- Permanent Relocation- Tenants will be permanently displaced from the project.
- Other: Attach a detailed explanation

SC Housing Staff Initials

Note: New tenants moving in after the submission of the funding application to SC Housing must be provided a **M-68 Move-In Notice** prior to signing a lease.

Signature _____

Date _____

Name _____

Title _____

Yes

No

Occupied

Vacant

Exhibit 4 - HOME 24 CFR Part 983.57 (e) Site and Neighborhoods Standards

HOME Program
South Carolina State Housing Finance and Development Authority
300-C Outlet Pointe Blvd.
Columbia, South Carolina 29210

Re: Name of Development
 Address of Development
 Applicant

Ladies and Gentlemen:

I am the _____ for _____ the above referenced development. As such, I have reviewed 24 CFR Part 983.57(e) and am of the opinion that under 24 CFR Part 983.57(e)(3), this site, while in an area of minority concentration, should be permitted because of _____ [select the applicable exceptions in (e)(3)].

[Explanation of how the exception is met.]

It is my intention that the South Carolina State Housing Finance and Development Authority may rely on this opinion in making its determination whether or not this development should be awarded a HOME award.

Yours very truly,

M-53 Fair Housing- Developer Certification

Applicant Name: _____

Project Name: _____

In accordance with Title VIII of the Civil Rights Act of 1968 as amended by the Fair Housing Amendments Act of 1988, all recipients of HOME funding must undertake efforts to affirmatively further fair housing. The Authority is also requiring that all tax credit developments undertake efforts to affirmatively further fair housing.

The following is a list of suggested actions an applicant may take to promote fair housing with respect to the proposed project. You must check no less than two (2) of the proposed actions below to indicate how your organization intends to comply with the requirement to undertake efforts to affirmatively further fair housing.

	Proposed Fair Housing Activities	Projected Date of Completion
	Sponsor and/or provide workshop dates and times of fair housing seminars and campaigns for tenants and prospective tenants of the project.	
	Sponsor and/or send employees who will be interacting with tenants and prospective tenants of the project to racial sensitivity and/or diversity training.	
	Distribute and make available in the management office and community building fair housing brochures/materials to tenants and prospective tenants of the project.	
	Post fair housing materials, such as posters, in conspicuous locations at the project; i.e. the community office, mail kiosk, management office, etc.	
	Provide translation services for tenants or prospective tenants who are unable to speak or understand English.	
	Raise funds for agencies in the project's community who combat housing discrimination through outreach, education and advocacy services.	
	Other: _____ _____	

Applicant Name and Title

Signature

Date

EXHIBIT A

South Carolina State Housing Finance and Development Authority 2018 LIHTC VERIFICATION OF 10% EXPENDITURE Application Checklist

This Application Package Checklist must be submitted with the Verification of 10% Expenditure Application.

Development Name: _____ Date: _____

Please check off each category for which documents are submitted or mark as N/A.

TAB	Document	Comments	Check Off
1	Verification of 10% Expenditure Application	All required signatures must be originals. Faxes will not be accepted.	
2	Verification of 10% Expenditure Application Checklist	Exhibit A Verification of 10% Expenditure	
3	Attorney Opinion Letter	Exhibit F Verification of 10% Expenditure Qualification	
4	Cost Information	Exhibit H Certification of Costs Incurred	
		Exhibit I CPA Verification of 10% Expenditure Certification Letter	
5	Gross Floor Rent Election (if applicable)	Exhibit N	
6	Site Control	If land cost is being used to meet the 10% Test then a copy of the executed deed or executed minimum fifty (50) year land lease with a recorder's clock mark or a recorder's receipt must be provided. The grantee on the deed or the land lease must be the same entity as the owner listed on the Reservation Certificate and Carryover Allocation application. The recordation date <u>must</u> reflect that the deed was recorded no later than six (6) months from the allocation date or the LIHTC allocation will be cancelled.	

If, upon the submission of the Verification of 10% Expenditure Information, it is determined that the development is not substantially the same as the development described in the Initial Tax Credit Application, the development will not receive an allocation of Low-Income Housing Tax Credits.

EXHIBIT F

Attorney Opinion Letter For All Developments Submitting Verification of 10% Expenditure

(Letter Must Be Typed On Attorney's Letterhead)

Low-Income Housing Tax Credit Program
South Carolina State Housing Finance and Development Authority
300-C Outlet Pointe Blvd.
Columbia, South Carolina 29210

Re: Name of Development
Address of Development
Applicant

Ladies and Gentlemen:

This opinion is rendered in compliance with the requirements of the Low-Income Housing Tax Credit Program.

The undersigned is a licensed attorney-at-law licensed to practice before the highest court in the state in which I practice. A significant portion of my practice relates to tax matters and the interpretation of the Internal Revenue Code of 1986 (the "Code"), as amended. I am familiar with the provisions of Section 42 of the Internal Revenue Code, as amended, and have advised the owner with regard to its applicability to the above-referenced development.

Based upon an independent investigation into the facts and circumstances surrounding the above-referenced development, I am of the opinion that said development has met the requirements for a Carryover Allocation of Low-Income Housing Tax Credits pursuant to Code Section 42, including the requirements of Code Section 42(h)(1)(E)(ii). I have reviewed and signed the above-referenced development application dated _____.

It is my intention that the South Carolina State Housing Finance and Development Authority may rely on this opinion in making its determination whether or not this development qualifies for a Carryover Allocation of the Low-Income Housing Tax Credit.

Yours very truly,

EXHIBIT H

South Carolina State Housing Finance and Development Authority Certification of 10% Expenditure

Development Name: _____ No. of Bldgs. _____

Development Street Number and Name: _____

(City) (State) (Zip Code)

(Undersigned) hereby certifies under penalty of perjury that:
_____ (Owner) has incurred more than **10%** of the reasonably expected basis in
the development (land and depreciable basis). _____ (Owner) has attached a
Certified Public Accountant's written certification (**Exhibit I**) as supporting documentation to this exhibit.

		Amount	
		Column A *	Column B
		Eligible 10% Test Expenditures Incurred as of	Taxpayer's Reasonably Expected Total Basis in the development as of
		_____ (Date)	_____ (Date)
1.	Land & Buildings	_____	_____
2.	Site Work	_____	_____
3.	Rehabilitation & Construction	_____	_____
4.	Other Fees	_____	_____
5.	Interim Costs	_____	_____
6.	Financing Fees & Expenses	_____	_____
7.	Soft Costs	_____	_____
8.	Developer Cost	_____	_____
9.	Sub Total	_____**	_____
10.	Syndication Costs	_____	_____
11.	Development Reserves	_____	_____
12.	Total Development Cost	_____	_____***
13.	Development Cost not included in Reasonably Expected Total Basis (List below an explanation and amount for each development cost not included)		_____
	_____		{_____}
	_____		{_____}
	_____		{_____}
14.	Reasonably Expected Total Basis		_____
15.	Carryover Qualification Test	<u>Line 9 Column A</u> Line 14 Column B = _____%	

*Include only eligible cost or portion of eligible cost attributable to residential rental property for the development.

**Consult your tax attorney to determine those eligible cost line items which may be included in the 10% expenditure for carryover qualification which are eligible under section 42 of the IRS Code, as amended.

***Total Development Cost must agree with Total Development Cost in the Tax Credit Application.

By: _____ **Date:** _____
Its: _____

EXHIBIT I

CPA Certification of Costs and 10% Expenditure

(Must Be Submitted On CPA's Letterhead)

We have examined the accompanying Certification of 10% Expenditure (Exhibit H) of the Owner for _____ (the "Project") as of _____, _____. Exhibit H is the responsibility of the Owner and the Owner's management. Our responsibility is to express an opinion on Exhibit H based on our examination.

We have not examined or reviewed the project's Total Development Cost or Reasonably Expected Basis and therefore express no opinion or any other form of assurance on them.

We conducted our examination in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining on a test basis, evidence supporting the information presented in the Exhibit H and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the column entitled Eligible 10% Test Expenditures Incurred presents, in all material respects, the Project's Eligible 10% Test Expenditures Incurred as of _____, _____ using the accrual method of accounting in accordance with Internal Revenue Code (IRC) Section 461 and also the 10% carryover rules in accordance with IRC Section 42(h)(1)(E) and Treasury Regulation Section 1.42-6.

In addition to examining Exhibit H, we have performed certain procedures as stated below agreed to by the General Partner of the Owner with respect to the documents supplied to us. These procedures were performed solely to assist you in determining that appropriate items and amounts were included in the computation of the 10 percent carryover rule in accordance with Internal Revenue Code (IRC) Section 42(h)(1)(E) and Treasury Regulation Section 1.42-6 (the "Computation"). Management of the Owner is responsible for the Computation. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Owner and the South Carolina State Housing Finance and Development Authority. Consequently, we make no representations regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

We performed the following procedures:

- We calculated, based on estimates of total development costs provided by the Owner, the Project's total reasonably expected basis, as defined in Treasury Regulation Section 1.42-6, to be \$ _____ * as of _____, _____.
- We calculated the reasonably expected basis incurred by the Owner as of _____, _____ to be \$ _____.
- We calculated the percentage of the development fee incurred by the Owner as of _____, _____ to be _____% of the total development fee.
- We compared the reasonably expected basis incurred as of _____, _____ to the total reasonably expected basis of the Project, and calculated that _____% had been incurred as of _____, _____.

EXHIBIT I (page 2)

CPA Certification of Costs and 10% Expenditure

- Based on the amount of total reasonably expected basis listed above, for the Owner to meet the 10% test in accordance with Internal Revenue Code Section 42(h)(1)(E) and Treasury Regulation Section 1.42-6, we calculated that the Project needed to incur at least \$_____ of costs prior to _____, _____. As of _____, _____, costs of at least \$_____** had been incurred, which represents _____%*** of the total reasonably expected basis of the Project.

Firm Name: _____

Signature of CPA: _____

Date: _____

* Amount must equal the amount in Column B on Line 14 in the Exhibit H

** Amount must equal the amount in Column A on Line 9 in the Exhibit H

*** Percentage must equal the calculation percentage in Exhibit H

EXHIBIT I

CPA Certification of Costs and 10% Expenditure

(Must Be Submitted On CPA's Letterhead)

We have examined the accompanying Certification of 10% Expenditure (Exhibit H) of the Owner for _____ (the "Project") as of _____, _____. Exhibit H is the responsibility of the Owner and the Owner's management. Our responsibility is to express an opinion on Exhibit H based on our examination.

We have not examined or reviewed the project's Total Development Cost or Reasonably Expected Basis and therefore express no opinion or any other form of assurance on them.

We conducted our examination in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining on a test basis, evidence supporting the information presented in the Exhibit H and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the column entitled Eligible 10% Test Expenditures Incurred presents, in all material respects, the Project's Eligible 10% Test Expenditures Incurred as of _____, _____ using the accrual method of accounting in accordance with Internal Revenue Code (IRC) Section 461 and also the 10% carryover rules in accordance with IRC Section 42(h)(1)(E) and Treasury Regulation Section 1.42-6.

In addition to examining Exhibit H, we have performed certain procedures as stated below agreed to by the General Partner of the Owner with respect to the documents supplied to us. These procedures were performed solely to assist you in determining that appropriate items and amounts were included in the computation of the 10 percent carryover rule in accordance with Internal Revenue Code (IRC) Section 42(h)(1)(E) and Treasury Regulation Section 1.42-6 (the "Computation"). Management of the Owner is responsible for the Computation. This agreed-upon procedures engagement was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Owner and the South Carolina State Housing Finance and Development Authority. Consequently, we make no representations regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

We performed the following procedures:

- We calculated, based on estimates of total development costs provided by the Owner, the Project's total reasonably expected basis, as defined in Treasury Regulation Section 1.42-6, to be \$ _____ * as of _____, _____.
- We calculated the reasonably expected basis incurred by the Owner as of _____, _____ to be \$ _____.
- We calculated the percentage of the development fee incurred by the Owner as of _____, _____ to be _____% of the total development fee.
- We compared the reasonably expected basis incurred as of _____, _____ to the total reasonably expected basis of the Project, and calculated that _____% had been incurred as of _____, _____.

EXHIBIT I (page 2)

CPA Certification of Costs and 10% Expenditure

- Based on the amount of total reasonably expected basis listed above, for the Owner to meet the 10% test in accordance with Internal Revenue Code Section 42(h)(1)(E) and Treasury Regulation Section 1.42-6, we calculated that the Project needed to incur at least \$_____ of costs prior to _____, _____. As of _____, _____, costs of at least \$_____** had been incurred, which represents _____%*** of the total reasonably expected basis of the Project.

Firm Name: _____

Signature of CPA: _____

Date: _____

* Amount must equal the amount in Column B on Line 14 in the Exhibit H

** Amount must equal the amount in Column A on Line 9 in the Exhibit H

*** Percentage must equal the calculation percentage in Exhibit H

EXHIBIT N

**South Carolina State Housing Finance and Development Authority
2018 Gross Rent Floor Designation**

Pursuant to Section 42(h)(1) of the Internal Revenue Code of 1986, as amended (the "Code"), the undersigned ("Owner") has received an allocation of low-income housing tax credits ("Credits") from the South Carolina State Housing Finance and Development Authority ("Authority") with respect to the following property and the buildings therein to which this Designation is to apply.

Development Name: _____

Development ID #: _____

Pursuant to Revenue Procedure 94-57, the Internal Revenue Service ("Service") will treat the gross rent floor in Section 42 (g)(2)(A) of the Code as taking effect on the date the Authority initially allocated* Credits to the above-referenced property, unless the Owner designates the date the property places in service as the date on which the gross rent floor will take effect for such property. As the undersigned owner of the above referenced development I hereby elect _____ **the Allocation date** _____ **the building placed in service date** as the date the Gross Rent Floor takes effect.

(* If the property is tax-exempt bond financed (as defined by Section 42(h)(4)(B)), the Service will treat the gross rent floor as taking effect on the date the Authority initially issues a determination letter unless the Owner designates that the placed-in-service date should be used.)

Applicant: _____

Date: _____

By: _____

EXHIBIT A

South Carolina State Housing Finance and Development Authority 2018 LIHTC PLACED-IN-SERVICE Application Checklist

This Application Package Checklist must be submitted with the Placed-In-Service Application.

Development Name: _____ County: _____

Please check off each category for which documents are submitted or mark as N/A.

TAB	Document	Comments	Check Off
1	Placed-In-Service Application	All required signatures must be originals. Faxes will not be accepted.	
	Fees	The first fifteen (15) years compliance monitoring fee. The fee is equal to \$35.00 for each LIHTC unit in the development. Refer to page 31 in the 2017-2018 Tax Credit Manual. Not applicable for TEB projects.	
		The first year's TEB administrative fee. The fee is equal to \$50.00 for each LIHTC unit in the development. Not applicable for 9% projects.	
2	Placed-In-Service Application Checklist	Exhibit A - Placed-In-Service Checklist	
3	Attorney Opinion Letters	Exhibit C (Tax Credit Eligibility)	
		Exhibit D (Acquisition/Rehabilitation Projects)	
		Exhibit E (Nonprofit Eligibility)	
4	Architect and/or Professional Engineer Certification	Exhibit G Placed-In-Service	
		Final detailed "AS-BUILT" site plan drawings (8½" x 11") to include all parking spaces (ADA included), ramps, access aiseways, crosswalks, dumpsters, landscapped areas, playground, mail boxes, building placements, retention ponds, etc.	
5	Cost Information	Exhibit J-1 CPA Placed-In-Service Certification Letter	
		Exhibit J-2 CPA Schedule of Eligible & Qualified Basis by Building	
		Exhibit J-3 CPA Schedule of Total Development Cost	
		Exhibit J-4 CPA Schedule of Qualified Basis	
		Exhibit M Certification of Sources and Uses	
		CPA Certification of Percentage of Aggregate Basis Financed by Tax Exempt Bonds (applies only to developments with bond financing that are seeking low-income housing tax credits)	
		Deferred Developer Fee - Note evidencing the principal amount and terms of repayment of any deferred repayment obligation.	
6	Entity Agreements	Final Partnership Agreement	
		Operating Agreement of LLC's (if applicable)	
7	Rent Roll	Certified Rent Roll- both new construction and rehabilitation projects	
		Form Q- Rent Roll Addendum	
		Current Applicable Utility Cost Estimate	
		LEED, EarthCraft, etc. Certification Forms (if applicable)	
8	Permanent Financing Information	RHS Form RD 3560-51 (if applicable)	
		Permanent Loan Commitment(s)	
		Other Commitments	
9	Syndication Information	Syndication Agreement Letter - This document must include: Syndication Proceeds Amount, Syndication Value per Tax Credit dollar, and Expected Annual Tax Credit.	
10	Completion Information	Certificate(s) of Occupancy - For new construction and rehabilitation projects, the Authority requires that ALL units in ALL buildings be 100% complete and available for immediate occupancy.	

If, upon the submission of the Placed-in-Service Application, it is determined that the development is not substantially the same as the development described in the Initial Tax Credit Application, the development will not receive an allocation of Low-Income Housing Tax Credits. It is expected that developments to which Low-Income Housing Tax Credits were allocated will be the same as the developments that are placing in service.

EXHIBIT G

**South Carolina State Housing Finance and Development Authority
2018 Placed in Service Architect and/or Professional Engineer Certification**

Development Name: _____ Total # of Bldgs. in the project: _____

Low Income Units

Unit Type:	# of Units:	# of Baths:	Heated Area:	Total Heated Area:
Efficiency	_____	_____	_____ s.f.	_____ s.f.
1 Bedroom	_____	_____	_____ s.f.	_____ s.f.
2 Bedroom	_____	_____	_____ s.f.	_____ s.f.
3 Bedroom	_____	_____	_____ s.f.	_____ s.f.
4 Bedroom	_____	_____	_____ s.f.	_____ s.f.
Living Units Total:	_____		Sub-Total Residential Heated Sq. Ft.:	_____ s.f. (A)

Type:	# of Type:	Area:	Total Area:
Covered Porches	_____	_____ s.f.	_____ s.f.
Breezeways	_____	_____ s.f.	_____ s.f.
Outside Storage	_____	_____ s.f.	_____ s.f.
Other: _____	_____	_____ s.f.	_____ s.f.
TOTAL NON-HEATED AREA:			_____ s.f.

Market Rate Units

Unit Type:	# of Units:	# of Baths:	Heated Area:	Total Heated Area:
Efficiency	_____	_____	_____ s.f.	_____ s.f.
1 Bedroom	_____	_____	_____ s.f.	_____ s.f.
2 Bedroom	_____	_____	_____ s.f.	_____ s.f.
3 Bedroom	_____	_____	_____ s.f.	_____ s.f.
4 Bedroom	_____	_____	_____ s.f.	_____ s.f.
Living Units Total:	_____		Sub-Total Residential Heated Sq. Ft.:	_____ s.f. (B)

Type:	# of Type:	Area:	Total Area:
Covered Porches	_____	_____ s.f.	_____ s.f.
Breezeways	_____	_____ s.f.	_____ s.f.
Outside Storage	_____	_____ s.f.	_____ s.f.
Other: _____	_____	_____ s.f.	_____ s.f.
TOTAL NON-HEATED AREA:			_____ s.f.

COMMON AREAS

Office Area:	_____ s.f.	_____ s.f.
Laundry:	_____ s.f.	_____ s.f.
Exercise Room:	_____ s.f.	_____ s.f.
Computer Room:	_____ s.f.	_____ s.f.
Community Building:	_____ s.f.	_____ s.f.
Other: _____	_____ s.f.	_____ s.f.
Sub-Total Non-Residential Heated Sq. Ft.:		_____ s.f. (C)

TOTAL HEATED AREA (A+B+C): _____ s.f.

NOTE: All square footages listed on Exhibit G must match those listed in the tax credit application. All heated and non-heated square footage for the entire development must be included on this form and on any submitted drawings.

MANDATORY DESIGN CRITERIA

The development has been designed and constructed incorporating the following **Mandatory Design Criteria** included at no extra cost to the tenants.

For All Development Types:

1. Window coverings for each window, including glass doors, must be installed. Metal blinds are not permitted.
2. All kitchen and bathroom interior cabinets must be solid wood or wood/plastic veneer products with dual slide tracks on drawers. New cabinets must have solid wood dual sidetrack drawers and no laminate or particleboard fronts for doors or drawer fronts. Cabinets shall meet the ANSI/KCMA A1 61.1 performance and construction standard for kitchen and vanity cabinets. Cabinets shall bear the certification seal of KCMA (Kitchen Cabinet Manufacturers Association).
3. All entry doors must be metal-clad wood, steel or fiberglass doors that are insulated, paneled, and have a peephole. Deadbolt locks are required in entry doors. Dead bolt locks on entry doors should have "thumb latch" on interior side. Double keyed dead bolt locks are prohibited. The minimum clear width of all exterior doors shall be 34 inches.
4. Bi-fold and sliding interior doors are prohibited. All doors must be side hinged.
5. A landscaping plan must be submitted indicating areas to be sodded and landscaped. Landscaping plan(s) must follow any applicable landscape municipal ordinance. At a minimum, sod shall be installed on the front and side areas to a point twenty (20'-0") feet from the building(s). Landscaping may incorporate sod and drought resistant plants and shrubs. All disturbed areas not sodded must be seeded. The Authority reserves the right to approve the final landscaping installation and require modifications.
6. All retention and/or detention ponds must be fenced in unless a letter is provided from the Department of Health and Environmental Control (DHEC) that a fence is not required. The storm water retention/detention basin design, maintenance and management shall be the sole responsibility of the owner/developer and shall be in strict accordance with all applicable federal, state, local and environmental regulations governing storm water retention/detention basins.
7. A recreation area suitable for proposed tenant targeting:
 - a. For family developments – (i) Playground for children located away from automobile traffic patterns with commercial quality play equipment (the playground area must have a minimum of four (4) separate pieces of equipment or a structure that encompasses a minimum of four (4) pieces of equipment) accessible to handicapped traffic and at least one permanently anchored, weather resistant bench, with a back, or (ii) an exercise room with a minimum of three nautilus-type work-out machines (this room's square footage may be included in the minimum 1,200 sq. ft. community building);
 - b. For older persons developments – (i) An exercise room with a minimum of three (3) nautilus type work-out machines (this room's square footage may be included in the minimum 1,200 sq. ft. community building), or (ii) a minimum of one gazebo that is covered, with bench seating, equipped with an Energy Star ceiling fan with light fixture.
8. A new development sign at the entrance(s) to the complex affixed with a Fair Housing logo.
9. Exterior lighting fixtures at all entry doors including individual apartment units, community buildings, and common areas within the building(s). Fixtures at the individual apartment units are to be controlled from the interior of the unit.
10. Enclosed trash dumpsters and/or compactors. The dumpster must be enclosed by solid fencing on at least three sides. The pad and approach pad to the dumpster must be concrete and not asphalt. The trash dumpster/compactor must be ADA accessible and located on an ADA accessible route.
11. Roofing materials shall be anti-fungal shingles with a minimum 25-year warranty.
12. The following Energy Star appliances must be provided in each unit: Full sized refrigerator-freezer, with ice maker, having a minimum size of fourteen (14) cubic feet.
13. At least fourteen (14) SEER HVAC units must be installed. If the Physical Needs Assessment, completed for a rehabilitation development, does not recommend replacement of existing HVAC units in the development, this mandatory criterion is waived. However, any replacement HVAC units installed in the development must be at least fourteen (14) SEER. All refrigeration lines must be insulated. All developments must have central heat and air. Window units are not allowed for any development type.
14. A laundry facility containing: (a) at least one (1) commercial washer and one (1) commercial dryer per twenty-four (24) units; and (b) adequate seating and at least one (1) table for folding clothes. For developments containing more than one hundred (100) rental units that also provide washer and dryer hookups in all units, a minimum of one (1) commercial washer and one (1) commercial dryer per thirty-two (32) units is required. Single family detached unit, townhouse, or duplex developments must provide a washer and dryer hookup in every unit. Developments providing washers and dryers in all rental units are not required to provide a laundry facility.
15. Each unit must be equipped with a 5 lb. ABC rated dry chemical fire extinguisher readily accessible in the kitchen and mounted to accommodate handicapped accessible height in accessible units. Fire extinguisher

must be either clearly visible or if contained in a cabinet/pantry area must have signage identifying location.

16. Wall switch controlled Energy Star rated overhead lighting is required in all rooms.
17. Sites located in a Radon Zone-1 (highest level) will require Radon Resistant New Construction Practices. Rehabilitation projects must meet the Radon Mitigation Standards as required by the Environmental Protection Agency.
18. All new construction developments must submit a complete site specific soils report and boring site plan, not more than one year old at the time of submission of final plans and specifications, bound within the project specifications. Rehabilitation projects adding any new building foundations must submit a foundation specific soils report. The soils report must reflect the results of laboratory tests conducted on a minimum of one (1) soil boring per planned building location and a minimum total of two (2) soil borings at the planned paved areas of the development. A registered professional engineer or a certified testing agency with a current license to practice in the State of South Carolina must prepare the report. Rehabilitation projects adding any new building foundations must also submit a foundation specific soils report and boring site plan.
19. Metal flashing or 20 mil polyethylene when used in conjunction with a self-adhering polyethylene laminate flashing, must be installed above all exterior door and window units.
20. Mailboxes, playground and all exterior project amenities must be ADA accessible.
21. Exterior wall insulation must have an overall R-13 minimum for the entire wall assembly and roof or attic insulation must have an R-30 rating minimum.
22. Tub/shower units must have minimum dimensions of 30-inch width by 60-inch length and be equipped with anti-scald valves. All shower units without a tub must have minimum dimensions of 36-inch width by 48-length (ADA approved shower). All tubs in designated handicap accessible units must come complete with "factory-installed grab bars".
23. Mirror length must extend to top of vanity backsplash with top of mirror a minimum of 6'-0" above finish floor. Framed decorative mirrors or medicine cabinets with mirrors are allowed with a minimum size of 14" x 24" and must be hung with the top of mirror a minimum of 6'-0" above finish floor. Vanity cabinets or a medicine cabinet shall be provided in all units. All cabinets in designated handicap accessible units must be installed at ADA mounting heights.
24. Water heaters must be placed in drain pans with drain piping plumbed to disposal point as per the latest approved addition of the International Plumbing Code.
25. Pipe all Temperature & Pressure (T&P) relief valve discharges to disposal point as per the latest approved edition of the International Plumbing Code.
26. Exterior shutters (new not recycled) are required on all 100% vinyl siding buildings. Only existing rehabilitation developments may have 100% vinyl building exteriors.
27. Roof gable vents must be made of aluminum or vinyl materials.
28. All attics must be vented.
29. Carpet and Resilient flooring materials must meet minimum FHA standards.
30. Each bedroom and hallway, etc. must have, as required by Code (local, state or Federal) a hard-wired battery back-up smoke detector.
31. All materials for construction must meet all local, state, and federal and environmental regulations and specifications.
32. A carbon monoxide detector must be installed in each unit with gas mechanical systems or gas appliances. Units with an attached garage must also have a carbon monoxide detector installed. A combination unit smoke detector and carbon monoxide detector can be used to meet this requirement.
33. Pre-finished fascia and soffits must be vinyl covered aluminum and/or perforated cementitious panels with vents.
34. Gutter and downspout systems complete with splash blocks will be supplied surrounding all residential buildings.
35. Gazebos, Picnic Shelters, Mail Kiosks, etc.: Exposed components used as part of the structure must be constructed so that no wood is exposed. Concealment shall be with materials such as aluminum or vinyl siding or cementitious materials. Decorative rails and/or guard rail systems used shall be code compliant systems of vinyl, fiberglass or metal. Wood railings are not allowed. Gazebos and picnic shelters shall have table and bench seating.
36. At a minimum, all development must meet the 2006 International Energy Conservation Code.
37. Developments that have units, by bedroom size, smaller than the following square footages are considered to be obsolete units and are not eligible for funding:

<u>Bedrooms per Unit</u>	<u>Minimum Sq. Ft. per Unit</u>
One	500
Two	700
Three	850
Four	1,000

For All New Construction Developments:

1. All units must be equipped with an Energy Star rated dishwasher and an Energy Star rated hot water heater with an energy factor of 0.61 for gas or 0.93 for electric. Submit manufacturer's data sheet with plans.
2. All units must have Energy Star rated windows. Submit manufacturer's data sheet with plans.
3. All units must have an Energy Star rated HVAC system. Submit manufacturer's data sheet with plans.
4. Lighting must be in all common area corridors, stairwells, and the community room. Interior light fixtures to be fitted with Energy Star light bulbs.
5. Low flow water saving features must be used- low flow showerheads, low flow kitchen and bathroom faucets, and low flow toilets. Submit manufacturer's data sheet with plans.
6. Washer/dryer hookups in all units.
7. A minimum 1200 square foot community building to include a kitchen/break room area equipped with, at a minimum, a sink and refrigerator and either a stove/microwave. Entire facility must be ADA compliant. The square footage counted towards this total may include a leasing office, an equipped exercise room, and an equipped computer center. Laundry rooms and storage/maintenance rooms will not be counted as part of the 1200 square foot minimum. For developments proposing the second phase of a previously completed contiguous tax credit development, the requirement for an additional 1200 square foot community building is waived. However, it is required that laundry facilities be provided to the new phase and must be constructed on the site of the proposed phase. The mandatory laundry facility requirements under Section V. Mandatory Design Criteria, item 14 must be met.
8. All units pre-wired for cable television hook-ups in the living room and one (1) per bedroom.
9. Units with three (3) or more bedrooms must have a minimum of two (2) full bathrooms.
10. The minimum bedroom size for the primary bedroom in each unit must be at least 168 square feet. All other bedrooms must be a minimum 120 square feet. The minimum bedroom square footage excludes the closet space.
11. All older persons (55+ years) and elderly developments will be one-story structures, or if greater than one story, all stories will be accessible by elevators.
12. All sidewalks and walkways shall be a minimum of 36" in width and made of concrete and shall provide access to all parking spaces, front entryway doors, common amenities and driveways and shall be ADA compliant.
13. Sliding glass doors are prohibited.
14. Water closets must be centered, at a minimum, 18 inches from sidewalls or vanity/lavatories.
15. Public use stairway components, such as stringers, treads, and risers must be constructed from steel or concrete. Handrails and pickets must be constructed from steel or aluminum.
16. Patio and porch/balcony components used as part of the building shall have concrete slabs or decks and must be constructed so that no wood is exposed. Concealment shall be with materials such as aluminum or vinyl siding or cementitious materials. Structural wood columns shall be at a minimum 6" x 6" pressure treated columns concealed as noted above with properly sized fiberglass, high density urethane or aluminum columns. Decorative rails and/or guard rail systems used at porches and patios shall be code compliant systems of vinyl, fiberglass or metal. Wood railings are not allowed.
17. Wall Framing: Sound proofing or sound batt insulation is required between the stud framing in party walls. A sound rating of STC 54 is required.
18. Fluorescent lighting is required in the kitchen.

For All Single Family Townhouse, and Duplex Developments:

1. All detached single family homes must contain a minimum of three (3) bedrooms and two (2) full bathrooms.
2. All townhouses must contain a minimum of two (2) bedrooms and one and one-half bathroom. At a minimum, a half bathroom must be located on the first floor.
3. All duplexes must contain a minimum of two (2) bedrooms and one and one-half bathroom.
4. Developments must have concrete driveways, curbing at street and front entry walkways.
5. All new construction developments must have a washer and dryer hookup in each unit.
6. All HVAC and hot water heaters must be contained within the unit/building. These may not be located in the attic or crawl space.

For All Rehabilitation Developments:

Any of the following mandatory items (not to include repainting of the entire unit) replaced on or after January 1, 2011 are not required to be replaced as part of the rehabilitation.

1. Replace and install new flooring in each unit. At a minimum, tile must be VCT or better.
2. Entire unit (all rooms and ceilings) must be repainted.
3. New bathroom fixtures must be installed to include the following:
 - a) New tub and new shower, re-glazing not allowed. Three piece surround insert is acceptable. All caulking must be replaced.

- b) Replace sink, vanity and plumbing fixtures with new. Vanity to include, at a minimum, a pull out drawer and/or storage area.
 - c) New toilet.
 - d) Install new re-circulating exhaust fan.
 - e) Install new water supply valves.
4. New kitchen fixtures must be installed to include the following:
 - a) Dual track sliding drawers.
 - b) New double sink and plumbing fixtures.
 - c) New stove with re-circulating exhaust fan.
 - d) New Energy Star rated refrigerator, with ice maker that is a minimum of 14 cubic feet.
 - e) Install new water supply valves.
 5. All entry doors must be steel or fiberglass doors that are insulated, paneled, and have a peephole.
 6. New Energy Star hot water heaters with an energy factor greater than 0.61/gas or 0.93/electric.
 7. Replace all windows with insulated, double pane glass in either vinyl or aluminum framing.
 8. All units wired for high speed (broadband) Internet hook-up with at least one (1) centrally located connection port or wireless computer network. All wires to be hidden.
 9. Units with existing washer/dryer connections must replace and install new water supply fixtures and valves.
 10. All older persons (55+ years) and elderly acquisition/rehabilitation developments may have more than one-story, provided that existing elevators, receiving regular maintenance, are in good working condition as of the initial Tax Credit Application submittal date and service all upper level rental units. Those developments without existing elevators will be required to install elevators.
 11. Window blinds and exterior window screens to be replaced.
 12. Replace all damaged and worn interior doors, jambs, frames, and hardware.

For All Adaptive Reuse Developments:

The definition of “adaptive reuse” is the conversion of an existing non-residential building(s) into a residential building(s). The architect must certify on **Exhibit G** that the development will meet the following requirements:

1. A minimum of fifty percent (50%) of the square footage of each existing building(s) must be converted to residential use; and
2. If additional buildings/units are constructed to provide additional space, the total square footage of the previously existing building(s) must constitute a minimum of fifty percent (50%) of the total square footage of the entire development.
3. Reseal all asphalt parking and roadway surfaces throughout the development.

MARK the appropriate box(es) below, thereby indicating that the development has been designed and constructed incorporating the design criteria selected:

Optional Development Design Criteria:

- 1. Roof shingles must be architectural style anti-fungal and warranted for a minimum of thirty (30) years.
- 2. Attic insulation rated at R-38 or higher.
- 3. Energy Star rated HVAC systems (15 SEER or grater) in all units.
- 4. All units must have a balcony, sunroom, or patio. A sunroom must contain a minimum of three (3) window panels and have distinct architectural separation from the living room. Patios must be at lease 64 sq. ft. Front porches are not considered patios.
- 5. Curbing for paved areas throughout the development site including the parking areas.
- 6. Gazebo (Must be covered and have bench seating; must be permanently affixed and constructed in place; be ADA compliant, accessible and contain a minimum of 100 square feet) or covered picnic shelter (must have a table and bench seating and must be ADA compliant and accessible) in an appropriate location.
- 7. Irrigation/sprinkler system serving all landscaped areas.
- 8. Underground utilities (gas/electric, cable and phone) throughout the development site.
- 9. Provide in the community room a minimum of two (2) current updated computer systems, manufactured within the last 12 months, to include new computers, new printers, and a new scanner. The computers must be equipped with high speed Internet service (e.g. broadband or cable).
- 10. Each unit must have an Energy Star ceiling fan with light fixture in the living room and all bedrooms. All ceiling fans and overhead lights must connect to wall switches.
- 11. Full size Energy Star refrigerator, with ice maker, having a minimum size of eighteen (18) cubic feet.
- 12. All units must be pre-wired for high speed (broadband) Internet hook-up with at least one (1) centrally located connection port and connection ports in all bedrooms or wireless computer network.
- 13. Over the range mounted microwave oven, with re-circulating fan, in all units.

- 14. All units must have a Range Queen, Fire Stop, Auto Stop or comparable extinguishing system over the stove.
- 15. A minimum square footage per unit based on the number of bedrooms per unit specified as follows. To qualify, all of the units must meet the minimum square footage per unit. The Authority considers the square footage of an individual unit to be the usable living space measured from the interior wall to interior wall.

Bedrooms per unit	Minimum Sq. Ft. per Unit
One	750
Two	950
Three	1100
Four	1250

- 16. Providing bathrooms per unit based on the number of bedrooms according to the following. To qualify, all the units must provide the minimum number of bathrooms as specified.

Bedrooms per unit	Bathrooms per unit
One	One Full
Two	One Full and One ¼ bath
Three	Two Full
Four	Two Full and One-Half

- 17. A minimum eight (8) camera video security system with at least one (1) camera monitoring all of the following areas: front of buildings, back of buildings, all levels of breezeways, community room, computer room, rental office, all site entrance/exit roadways, and parking area(s).
- 18. One (1) rental unit reserved for a security officer, on-site manager or maintenance person.
- 19. Walking trails, minimum 4 feet wide, paved and continuous. Trail should be a minimum 1250 linear feet. At a minimum one (1) permanently anchored weather resistant bench with back at the mid-point of the trail.
- 20. Perimeter fencing extending around all sides of the development site, except the development entrance(s). Chain link fencing not allowed.
- 21. Development to be built to meet, at a minimum, the Version 3.0 Energy Star Certification.
- 22. Provide an easily-accessible area that serves the entire development and is dedicated to the collection and storage of non-hazardous material for recycling, to include paper, corrugated cardboard, glass, plastics, and metals.

The following Optional Development Design Criteria are for rehabilitation developments only:

- 23. Install Energy Star rated dishwashers in all units.
- 24. Install overhead light fixture connected to a wall switch in the living room and all bedrooms. All light fixtures to be fitted with Energy Star light bulbs.
- 25. Provide one and one-half (1.5) bathrooms in all units with two (2) or more bedrooms.
- 26. Minimum bedroom size for all bedrooms in each unit is 120 square feet. The minimum bedroom square footage excludes the closet space.
- 27. Provide a minimum 1200 square foot community building excluding laundry and storage/maintenance areas.
- 28. Provide hookups for standard size washers/dryers in all units.
- 29. Energy Star rated windows in all units.
- 30. In all units, existing appliances replaced with full size Energy Star refrigerator, with ice maker, having a minimum size of eighteen (18) cubic feet; and an Energy Star rated dishwasher; and an Energy Star rated hot water heater with an energy factor greater than 0.61/gas or 0.93/electric.

Development Criteria:

- Development size- New Construction **(threshold):**
 ___ Development has at least 32 total units but has no more than 72 total units.
- Development size- Rehabilitation **(choose only one):**
 ___ Development has at least 24 total units and is at or below 88 total units.
 ___ Development has 89 to 104 total units.
- Durable construction, with respect to each building, one of the following applies **(choose only one):**
 ___ Brick/stone veneer or stucco minimum 60% and remaining exterior fiber cement and/or hardiplank.
 ___ Brick/stone veneer or stucco minimum 50% and remaining exterior fiber cement and/or hardiplank.
 ___ Brick/stone veneer or stucco minimum 30% and remaining exterior fiber cement and/or hardiplank.
 ___ Brick/stone veneer or stucco minimum 50% and remaining exterior siding to be vinyl siding with a thickness of at least .044 mils; or full fiber cement.

For Adaptive Reuse Developments Only:

- ___ A minimum of fifty percent (50%) of the square footage of each existing building(s) must be converted to residential use; and
- ___ If additional buildings/units are constructed to provide additional space, the total square footage of the previously existing building(s) constitutes a minimum of fifty percent (50%) of the total square footage of the entire development.

For proposed Older Persons and Elderly Developments:

- ___ Yes ___ No Development contains all one-story units.
- ___ Yes ___ No Development currently has or will have elevator service to all upper level units.

Architect and/or Professional Engineer Certification:

The undersigned certifies to the South Carolina State Housing Finance and Development Authority (SCSHFDA) that (1) the above information is true and correct; (2) the development **have been** constructed in accordance with the mandatory and optional design criteria as stated in the body of this certification; and (3) the architect and/or professional engineer has reviewed the plans and specifications of the development to ensure that such plans and specifications comply with and the development has been constructed to comply with the accessibility and other requirements of Section 504 of the Rehabilitation Act, the Fair Housing Amendments to the Civil Rights Act of 1968, the American With Disabilities Act, 2010 Americans with Disabilities Act Accessibility Guidelines, local building codes, and any other applicable State or Federal legislation. The undersigned further certifies that s/he will verify that the construction of the development will meet, at a minimum, the following seven specific requirements based on HUD's Fair Housing Act regulations (24 C.F.R. Part 100 as modified or explained in guidelines, manuals, Q&A's, etc.): (1) accessible building entrance on an accessible route, (2) accessible and usable public and common use areas, (3) usable doors, (4) accessible route into and through the covered dwelling unit, (5) light switches, electrical outlets, thermostats and other environmental controls in accessible locations, (6) reinforced walls for grab bars, and (7) usable kitchens and bathrooms. **The undersigned acknowledges that the foregoing certifications will be relied upon by the SCSHFDA and that any misrepresentation, whenever discovered, will result in a) the undersigned and the Developer both being debarred from participation in any Authority administered programs for a minimum of one (1) year and b) the filing of a complaint against the architect/professional engineer with the S.C. Department of Labor, Licensing and Regulation.**

Firm: _____

Date: _____

By: _____

License #: _____

Its: _____

EXHIBIT J - 1

Form Of CPA Final Allocation Certification Letter

(Letter must be typed on the CPA's letterhead making the certification)

Owner's Name: _____

Project Name: _____

Project Number: _____

We have audited the costs included in the accompanying South Carolina State Housing Finance and Development Authority Low-Income Housing Tax Credit Application and schedule of eligible and qualified development costs of _____ (the "Owner") related to the development of the _____ Apartments ("the Project") as of _____, _____. The application and schedule are the responsibility of the Owner and the Owner's management. Our responsibility is to express an opinion on the application and schedule based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the application and schedule are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the application and schedule. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the application and schedule. We believe that our audit provides a reasonable basis for our opinion.

The accompanying application and schedule were prepared in conformity with the accounting practices prescribed by the Internal Revenue Service, under the accrual method of accounting, and in conformity with the format and qualified allocation plan rules set by the South Carolina State Housing Finance and Development Authority, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the accompanying Low-Income Housing Tax Credit Application and the schedule of eligible and qualified development costs present fairly, in all material respects, the actual costs of \$_____ and eligible basis of \$_____ incurred by _____ (the "Owner") for the _____ Apartments ("the Project") as of _____, _____, on the basis of accounting described above.

This report is intended solely for the information and use of the Owner and the Owner's management and for filing with the South Carolina State Housing Finance and Development Authority and should not be used for any other purpose.

We are a firm of independent public accountants of which a significant portion of our practice relates to tax matters and interpretation of the Internal Revenue Code of 1986, as amended.

We have no financial interest in the Project other than in the practice of our profession.

Signature of CPA

Date

Exhibit J - 3
CPA Schedule of Total Development Cost

Line #	Itemized Costs	TOTAL DEVELOPMENT COSTS				INELIGIBLE COSTS			
		New Construction	Rehab	Acquisition/Rehab		New Construction	Rehab	Acquisition/Rehab	
				Acq. Costs	Rehab Costs			Acq. Costs	Rehab Costs
33	Counsel's Fee								
34	Other								
	Subtotal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Soft Costs								
35	Appraisal (feasibility)								
36	Market Study								
37	Environment Review								
38	Tax Credit Fees								
39	Tax Attorney Fees								
40	Other								
	Subtotal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Syndication Costs								
41	Partnership Organization					0.00	0.00	0.00	0.00
42	Bridge Loan Expenses					0.00	0.00	0.00	0.00
43	Tax Opinion					0.00	0.00	0.00	0.00
44	Other					0.00	0.00	0.00	0.00
	Subtotal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Developer Costs								
45	Developer Fee								
46	Developer Overhead								
47	Other								
	Subtotal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Development Reserves								
48	Rent-up Reserve					0.00	0.00	0.00	0.00
49	Operating Reserve					0.00	0.00	0.00	0.00
50	Other					0.00	0.00	0.00	0.00
	Subtotal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
51	TOTALS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

NOTE: Amounts in the shaded cost categories MUST be included as Ineligible Costs on this schedule.

THIS FORM IS AVAILABLE IN EXCEL SPREADSHEET FORMAT (See CPA Final Cost Certification Package at www.schousing.com)

Exhibit J - 4

CPA Schedule of Qualified Basis

Itemized Costs	New Construction	Rehab	Acquisition/Rehab		Total
			Acq. Costs	Rehab Costs	
Total Development Cost	0.00	0.00	0.00	0.00	0.00
Less Cost of Land (line 1 from Exhibit J-3)	0.00	0.00	0.00	0.00	0.00
Less Portion of Federal Grant used to Finance Qualifying Development Cost	0.00	0.00	0.00	0.00	0.00
Less Ineligible Costs [Ineligible Costs (line 51) - Land (line 1) from Exh. J-3]	0.00	0.00	0.00	0.00	0.00
Less Amount of Non-qualified Nonrecourse Financing	0.00	0.00	0.00	0.00	0.00
Less Nonpaying Excess Portion of Higher Quality	0.00	0.00	0.00	0.00	0.00
Less Historic Tax Credits (Residential Only)	0.00	0.00	0.00	0.00	0.00
Total Eligible Basis	0.00	0.00	0.00	0.00	0.00
Multiplied by Applicable Fraction	1.00	1.00	1.00	1.00	
Multiplied by Basis Boost (130% only for Qualified Census Tract or Difficult Development Area)	1.00	1.00	1.00	1.00	
Total Qualified Basis	0.00	0.00	0.00	0.00	0.00

THIS FORM IS AVAILABLE IN EXCEL SPREADSHEET FORMAT (See CPA Final Cost Certification Package at www.schousing.com)

EXHIBIT M

2018 Certification of Sources and Uses

Development Name: _____

Owner Name: _____

This form is completed to certify the actual cost of a property's construction and development and is to be returned to the South Carolina State Housing Finance and Development Authority with the Application for IRS Form 8609.

Owner Certification:

The owner hereby certifies the following:

1. In connection with the Application for IRS Form 8609 for the above-named development I have obtained and attached an Independent Auditor's Report and CPA Final Certification Schedules (Exhibits J2, J3, J4). I have disclosed all costs and all uses of funding to the person or firm preparing such Report and Schedules including all kickbacks, rebates, adjustments, discounts or gifts of value made or to be made to the general contractor, architect or any corporation, trust, partnership, joint venture, or other legal or business entity in which the aforementioned entities, or any of their members, stockholders, officers, directors, beneficiaries, or partners hold any interest.
2. I have disclosed all of the development's funding sources and uses, as well as its total financing, and will disclose any future changes in funding to the Authority in a timely manner.
3. I have provided the Authority with the final Partnership Agreement or other ownership agreement (as amended).

Owner: _____

Title: _____

By: _____

Date: _____

Syndication/Investor Certification:

For purposes of this Certification, documentation of tax credit syndication activity is deemed to include the final Partnership Agreement or other ownership agreement (as amended) and all contracts or other agreements by and between persons or entities which are party to, directly or indirectly, the owner, general partner, members, architect, syndicator/investor, general contractor, or any corporation, trust, partnership, joint venture, or other legal or business entity in which the aforementioned entities, or any of their members, stockholders, officers, directors, beneficiaries, or partners hold any interest. Tax credit syndication activity is deemed to include disbursements of funds, gifts of value or loans to the partnership by and between persons or entities as described above.

The limited partner/investor member hereby certifies the following:

1. The Final Partnership Agreement or other ownership agreement (as amended) and other documentation of tax credit syndication activity included in the Application for IRS Form 8609 is complete and accurate and discloses all funds or gifts of value paid to such parties as described above.
2. If applicable, attached to or made part of this Certification is a signed statement fully describing any side deals, agreements, contracts or undertakings entered into or contemplated, thereby altering, amending or cancelling contracts.

Limited Partner/Investor Member: _____ Title: _____

By: _____ Date: _____

EXHIBIT L

South Carolina State Housing Finance and Development Authority 2018 Progress Report

Note: The Authority reserves the right to amend this Progress Report at any time or require additional information to further establish the progress of the development toward completion and lease-up. In such instances, the Authority will notify Applicant(s) prior to the progress report deadline and within a reasonable timeframe so as to allow the Applicant sufficient time to submit the information prior to the report deadline.

Development ID #:	_____	Date:	_____
Development Name:	_____		
Development Address:	_____	_____	_____
	(street)	(city)	(zip)
Owner/Applicant:	_____		
Contact Person:	_____	Phone #:	_____
Email Address:	_____	Fax #:	_____

Progress Reports are due no later than the 7th day of the month following the end of each calendar quarter. The first progress report will be due on April 7, 2018, and every quarter thereafter until the development reaches a stabilized occupancy of at least 93%. Faxed reports are acceptable to ensure reports are received by the deadline. Forward all Progress Reports to the attention of the Tax Credit Division. A penalty fee of \$1,000 for each business day will be assessed against any project whose Progress Report is not received by the due date. Late Progress Reports will not be accepted unless turned in with the appropriate penalty fee. Fees must be in the form of a cashier's check made payable to the South Carolina State Housing Finance and Development Authority.

DEVELOPMENT INFORMATION

Has the land been purchased by the ownership entity and a copy of the recorded deed been submitted to the Authority? Yes _____ No _____

Have final project plans and specifications been submitted to the Authority? Yes _____ No _____

Has the Authority received a letter from Architect certifying all design and amenity items for which points have been awarded are incorporated into the plans? Yes _____ No _____

Has the construction loan closed? Yes _____ No _____

Has a certified copy of the executed recorded construction mortgage been submitted to the Authority? Yes _____ No _____

Has a copy of the executed binding commitment for syndication been submitted to the Authority? Yes _____ No _____

New Construction will start/was started on ____/____/____

Rehabilitation will start/was started on ____/____/____

If construction has not started, explain why? _____

Currently the development is _____% complete.

Briefly describe the development's progress to date: _____

It is estimated that the **FIRST BUILDING** will be available for occupancy on _____, 20____

It is estimated that the **LAST BUILDING** will be available for occupancy on _____, 20____

It is estimated that the **PLACED IN SERVICE APPLICATION** will be submitted _____, 20____

It is estimated that the **INITIAL LEASING DATE** will be _____, 20____

Project is currently _____% leased.

Explain any lack of progress in any of the above categories since your last Progress Report: _____

I hereby certify that all of the above information is true and accurate. I/We recognize and accept our obligation to notify **SCSHFDA** immediately if I/We become aware of any subsequent events or information which would change any statements or representations in the application previously submitted to **SCSHFDA**.

Date

Signature of Authorized Representative

Exhibit S

2018 Market Study Guideline Procedures

*All relevant tables should be placed with corresponding text.

Market Study Process:

The Applicant will be required to submit a cashier's check in the amount of \$600.00 at Application submission or the application will be disqualified.

1. Applicants must use an Authority approved market analysts to complete market studies. All market analysts **must adhere** to Market Study terminology as sanctioned by the National Council of Housing Market Analysts. The Market Study Terminology list is available at: www.housingonline.com/Resources.aspx. An electronic copy of the market study must be submitted with the Tax Credit Application in the form of a CD, DVD or Flash Drive.
2. Submitted market studies must conform to the requirements in these Guideline Procedures and Exhibit S-2. The market study should reflect conclusions based on the proposed development. This includes capture rates, absorption periods, market advantage, etc. An Exhibit S-2 form and S-2 Calculation sheet must be completed and included with the market study. The market study should also include the table provided in the S-2 Worksheet.
3. The Applicant's market analyst must indicate within the conclusion and recommendations section of the market study a conclusion regarding the ability of the market area to support the proposed development. This conclusion should further address the depth of the rental market and whether the proposed development will have a negative long-term impact on existing rental communities.
4. Upon receipt of the Tax Credit Applications, the Authority will forward a copy of the market study to the Authority's third party market analyst who will perform a review of each individual market study.
5. The Authority's third party market analyst will have six (6) weeks to complete the review of all market studies. Applicants and the market analyst that prepared the market study will be notified by the Authority's third party market analyst via email of any deficiencies found in the submitted market study. All issues must be resolved to the satisfaction of the Authority's market analyst and Authority staff in order for the study to be deemed acceptable.
6. In conjunction with the Authority's third party market analyst, the Authority will consider the market study, the market, marketability factors, and any additional information available to determine if an acceptable market exists for a development as proposed. The Authority is not bound by the conclusions or recommendations of the market study submitted by the applicant and reserves the right to disqualify any application in the competition if it determines an acceptable market does not exist.

Market Study Requirements:

A. Project Description

1. Give the following information for the proposed subject as provided by the LIHTC Applicant:
 - a. Development Location;
 - b. Construction Type: New Construction, Rehab, Acquisition and Rehab, Adaptive Reuse;
 - c. Occupancy Type: Family, Older Persons, etc.;
 - d. Target Income Group: 50% AMI, 60% AMI, Market Rate;
 - e. Special Needs Population (if applicable);
 - f. Number of units by bedroom/bathroom;
 - g. Number of buildings and stories and if there will be an elevator;
 - h. Unit Size(s);
 - i. Structure Type/Design: Townhouse, Garden Apartment, etc.;
 - j. Proposed Rents and Utility Allowances including energy source (Gas, Oil, Electric) and if utility is Tenant or Owner's responsibility;
 - k. Status of Project Based Rental Assistance: None, Existing, Proposed;
 - l. Proposed Development Amenities;
 - m. Proposed Unit Amenities;
 - n. For rehab proposals, please provide: current occupancy levels, current rents being charged (versus proposed rents), tenant incomes, as well as detailed information about the scope of work planned and how the rehabilitation will be carried out.

B. Site Description

1. Give the date(s) the senior analyst/market study author made a site visit including surrounding market area developments.
2. Describe physical features of the site, adjacent parcels, surrounding structures and neighborhoods. Give a brief description of the surrounding land uses. Note any obvious environmental concerns or any other visible concerns.
3. Give the site's general physical location to surrounding roads, public transportation, community amenities, employment, and services. It is extremely important to identify the closest shopping areas, schools, and employment centers, medical facilities and other amenities that would be important to the targeted population.
4. Indicate if there are any road or infrastructure improvements planned or under construction in the proposed market area.
5. Provide information or statistics as well as local perceptions of crime in the neighborhood, if applicable.
6. Comment on access, ingress/egress, and visibility to site.
7. Describe overall positive and negative attributes about the site as they relate to marketability.

C. Market Area

1. A map of the Primary Market Area (PMA) including the subject site. Identify boundaries by census tracts, jurisdictions, street names, or other geography forming the boundaries. Define the larger geographic area in which the PMA is located (i.e. city, county, MSA, etc.);
2. A physical description of the PMA including the methodology used to define it;
3. A detailed narrative that includes market specific language rather than a list of generic concepts or factors considered. The narrative must also:
 - (a) Explain how the market area was determined; and
 - (b) Discuss whether prospective tenants within the PMA will be able to afford the Pro Forma rents and if they cannot provide further comments on where eligible demand will come from;
4. Identify the borders of the market area and approximate distance from the subject property/site;
5. Census tracts that encompass the PMA;
6. Provide the most recent statistics on race available for the census tract in which the development is located; and
7. The analyst may provide information about the secondary market area if desired; however, demand should be based solely on the PMA.

D. MARKET AREA ECONOMY

1. A **map** of the site as compared to the locations of major employment concentrations.
2. Employment by industry--numbers and percentages (i.e. Manufacturing: 150,000 (20%)).
3. The major current employers and anticipated expansions, contractions in their workforces, as well as newly planned employers and their impact on employment in the market area.
4. Total workforce figures and employment and unemployment trends for the county and, where possible, the PMA. Provide numbers and percentages for both. Provide annualized figures for these trends (i.e. average annual increase of unemployment of 1.2%).
5. If relevant, comment on the availability of housing for low- to very low-income employees of businesses and industries that draw from the PMA.
6. Provide commuting patterns for workers such as how many workers in the PMA commute from surrounding areas outside the PMA.

E. COMMUNITY DEMOGRAPHIC DATA

Provide the following demographic information for the market area, giving historical data as well as current data and estimates. Include data on population and household trends from 2010 to 2017 and projected to 2020. Historical 2000 Census data can also be included to provide further insight into the historical demographic trends. However, the 2000 Census data is not required. Projections must be prepared by a reputable source such as Nielsen, ESRI, or Ribbon Demographics. U.S. Census data prior to the 2010 Census is only acceptable as historical data. If the Market Analyst does not agree with these projections, s/he must provide the reasoning, along with substitute projections. **Both numbers and percentages should be shown for the data below. Annualized growth figures should be included.** Please include a brief narrative of overall conclusions.

1. Population Trends
 - a. Total Population
 - b. Population by age groups
 - c. Number of older persons (for older persons projects)
 - d. If a special population is proposed for the development (i.e. migrant workers, homeless), provide additional information on population growth patterns specifically related to this population.
2. Household Trends
 - a. Total number of households, average household size, and group quarter.
 - b. Households by tenure (If appropriate, breakout by older persons and non-older persons).
 - c. Households by income. (Older person(s) proposals should reflect the income distribution of those households only).
 - d. Renter households by number of persons in the household.

F. Project-Specific Demand Analysis

1. **Income Restrictions:** Use the applicable incomes and rents in the subject's application. Be aware of the specific income restrictions which apply to the tax credit program. Analysts must take the income restrictions designated in the application into account when estimating demand.
 - The maximum income for the proposed units will be based on 1.5-persons per bedroom (rounded up to the nearest whole person for those that end in 0.5). For elderly developments, the maximum incomes will be capped at the 2-person limits.
2. **Affordability:** Analysts must assume that no family households are able to pay more than 35% of gross income towards gross rent and no elderly households are able to pay more than 40% of their gross income toward gross rent. Any such additional indicators should be calculated separately and be easily added or subtracted from the required demand analysis.
3. The demand analysis should clearly indicate the minimum and maximum income range for each targeted group.

In cases where the proposed rents for projects with Project Based Rental Assistance are higher than the maximum allowable LIHTC rents, two separate demand analyses must be shown: One with the rental assistance (thereby allowing \$0 for the minimum income) and one without the rental assistance. For the second demand calculation without rental assistance, analysts should use tax credit rents regardless of market conditions.

For projects with market rate units, the analyst must make some reasonable determination of a maximum income level beyond which a household would not likely be a participant in the rental market. The analyst should clearly state the assumptions used in making the aforementioned determination.

4. **Demand:** The demand should be derived from the following sources using data established from a reputable source:
 - a. **Demand from New Renter Households:** New rental units required in the market area due to projected renter household growth. Determinations must be made using the current base year of 2017 and projecting forward to the anticipated placed-in-service date of 2020. The household projections must be limited to the age and income cohort and the demand for each income group targeted (i.e. 50% of median income) must be shown separately.
 - In instances where a significant number (more than 20%) of proposed rental units are comprised of three-bedroom units or larger, analysts must conduct the required capture rate analysis, followed by an additional refined large-household capture rate analysis for the proposed three-bedroom units or larger by considering the number of large households (three-persons and larger). A demand analysis which does not evaluate both the overall capture rate as well as the additional refined large-households (three-person and larger) analysis may not accurately illustrate the demographic support base.
 - b. **Demand from Existing Households:** The second source of demand should be determined using 2010 census data or the most current American Community Survey (ACS) data and projected from:
 - 1) **Rent over-burdened households**, if any, within the age group, income cohort and tenure targeted for the proposed development. In order to achieve consistency in methodology, all analysts should assume that the rent-overburdened analysis includes households paying greater than 35% or in the case of

elderly 40% of their gross income toward gross rent rather than some greater percentage. If an analyst feels strongly that the rent-overburdened analysis should focus on a greater percentage, they must give an in-depth explanation why this assumption should be included. Any such additional indicators should be calculated separately and be easily added or subtracted from the required demand analysis.

- 2) **Households living in substandard housing.** Households in substandard housing should be adjusted for age, income bands and tenure that apply. The analyst should use their own knowledge of the market area and project to determine if households from substandard housing would be a realistic source of demand.
 - The Market Analyst is encouraged to be conservative in his/her estimate of demand from both households that are rent-overburdened and/or living in substandard housing.
 - 3) **Elderly Homeowners likely to convert to rentership:** The Authority recognizes that this type of turnover is increasingly becoming a factor in the demand for elderly tax credit housing. A narrative of the steps taken to arrive at this demand figure should be included. The elderly homeowner conversion demand component shall not account for more than 20% of the total demand.
 - 4) **Other:** Please note, the Authority does not, in general, consider household turnover rates other than those of elderly to be an accurate determination of market demand. However, if an analyst firmly believes that demand exists which is not being captured by the above methods, s/he may be allowed to consider this information in their analysis. The analyst may also use other indicators to estimate demand if they can be fully justified (e.g. an analysis of an under-built or over-built market in the base year). Any such additional indicators should be calculated separately and be easily added or subtracted from the demand analysis described above.
5. **Method:** Please note that the Authority’s stabilized level of occupancy is 93%.
- a. **Demand:** The two overall demand components added together 4a and 4b above represent demand for the project.
 - b. **Supply:** Comparable/competitive units funded, under construction, or placed in service since the base year of demand (2017) must be subtracted to calculate net demand. Vacancies incomparable/competitive projects placed in service which have not reached stabilized occupancy (93%) must also be considered as part of the supply.
 - c. **Capture rates:** Capture rates must be calculated for each targeted income group and each bedroom size proposed as well as for the project overall.
 - d. **Absorption rates:** The absorption rate determination should consider such factors as the overall estimate of new renter household growth, the available supply of comparable/competitive units, observed trends in absorption of comparable/competitive units, and the availability of subsidies and rent specials.
6. **Example of Method:**
- a. **Demand**

Overall Demographic Demand by Targeted Income			
	Households at 50% Median Income (min. income to max. income)	Households at 60% of Median Income (min. income to max. income)	Project Total (min. income to max. income)
Demand from New Households (age and income appropriate)			
+	+	+	
Demand from Existing Households Rent-Overburdened			
+	+	+	
Demand from Existing Households Renters in Substandard Housing			
+	+	+	
Demand from Existing Households Elderly Homeowner Turnover			
=	=	=	
Total Demand			
-	-	-	
Supply			

=	=	=	
Net Demand			
Proposed Subject Units			
Proposed Subject Units Divided by Net Demand			
Overall Capture Rate by Income Level			

b. Net Demand and Capture Rates

Demographic Demand by Bedroom Size					
Bedrooms	Total Demand	Supply	Net Demand	Units Proposed	Capture Rate
1 Bedroom % AMI					
2 Bedroom % AMI					
3 Bedroom % AMI					
4 Bedroom % AMI					

In instances where a significant number (more than 20%) of proposed rental units are comprised of three-bedroom units or larger, the following large households (3-person and larger) demographic demand by targeted income level evaluation must be conducted for the proposed three-bedroom or larger units.

Large-Household (3-Person and Larger) Demographic Demand by Targeted Income			
	Households at 50% Median Income (min. income to max. income)	Households at 60% of Median Income (min. income to max. income)	Project Total (min. income to max. income)
Demand from New 3-Person+ Large-Households (income appropriate)			
+	+	+	
Demand from Existing 3-Person Large-Households Rent-Overburdened			
+	+	+	
Demand from Existing 3-Person+ Large Households Renters in Substandard Housing			
=	=	=	
Total 3-Person+ Large Household Demand			
-	-	-	
Supply (3-Bedroom+ Units)			
=	=	=	
Net 3-Person+ Large Household Demand			
Proposed 3-Bedroom+ Subject Units			
Proposed 3-Bedroom+ Subject Units Divided by Net 3-Person Large Household Demand			
Large-Household (3-Person+) Capture Rate by Income Level			

G. Supply Analysis (Comparable/Competitive Rental Developments)

The supply analysis will be given significant weight in the Authority’s review of the market study. The senior analyst/market study author must visit all comparable/competitive developments. The analysis must include all existing LIHTC projects and other projects that would compete with or be affected by the proposed project. Specifically, comparable/competitive developments refer to LIHTC projects with units at similar income targets, rent levels and targeted age cohorts. In addition to these comparable/competitive LIHTC projects, comparable/competitive developments may also include Rural Development properties both subsidized and unsubsidized, HUD properties, etc. The analyst must include and consider all developments under construction and/or in the pipeline in the analysis.

1. The following information should be included for each comparable/competitive development:
 - a. Name, Address, and Phone Number

- b. Contact Person's Name and phone number of the comparable/competitive property development
- c. Photograph
- d. Monthly Rents and utilities included in the rent, if any
- e. Type of development (RHS, tax credit, conventional, bond, bond and tax credits, etc.)
- f. Breakdown of unit sizes by bedroom/bathroom count
- g. Square footage for each comparable/competitive unit type
- h. Project age and Condition
- i. Population Served
- j. Description of unit amenities (include kitchen equipment) and site amenities
- k. Concessions given, if any
- l. Current vacancy rates broken down by bedroom size. Vacancy rates are to be determined using the most current information provided by property management.
- m. Waiting list information, if any
- n. Number of units receiving rental assistance, description of assistance as project or tenant based.
- o. For developments in the planning or construction stages, provide the name, address/location, name of owner, number of units, unit configuration, rent structure, estimated date of market entry, and any other relevant market analysis information. If there are no developments in the planning stages or under construction, a statement to that effect must be provided.
- p. If the proposed project is an additional phase of an existing project, include a tenant profile as well as any information about a waiting list.

The above information should be provided in a comparative framework **including** the proposed project and those projects under construction and/or in the pipeline. For example, in addition to providing a page of information along with a picture for each comparable/competitive development, the analyst should also provide comparative charts that show such factors as the proposed project's rents, square footages, amenities, etc. as compared to the other projects.

2. A **map** showing the comparable/competitive developments in relation to the proposed site. The map should have an identifiable usable scale.
3. If applicable to the proposed development, provide data on three and four bedroom single-family rentals, OR provide information on rental trailer homes and single family homes in rural areas lacking sufficient three and four bedroom rental units in an attempt to identify where potential tenants are currently living.
4. Derive the market rent and compare them to the proposed development's rents. Quantify and discuss market advantage of the subject and impact on marketability. Market advantages should be provided for each unit type and the project overall.
5. Calculate the overall market vacancy rate, the overall comparable/competitive vacancy rate, and the overall vacancy rate for all LIHTC projects in the market area. (Do not include new projects in the process of "renting up" in vacancy rate.)
6. The cost and availability of homeownership and mobile home living, if applicable.
7. Conclusion as to the immediate and long term impact that the proposed project will have on the occupancy of comparable rental communities in the PMA, specifically other LIHTC communities.

H. Interviews

The results of formal or informal interviews with property managers, town planning officials or anyone with relevant information relating to the overall demand for the proposed development should be summarized in this section. Include the name and phone number of the person you talked to.

I. Recommendations

Market Analysts must provide a recommendation that clearly states whether a proposed project should be approved as proposed. The Market Analyst must provide a brief summary of all the major factors that led to their conclusion.

The completed market study must meet the minimum threshold requirements stated in the 2017 and 2018 QAP and the applicable 2018 QAP Technical Amendments. If the development cannot meet the threshold requirements the development will be disqualified.

J. Signed Statement Requirements

The signed statement must include the following language:

I affirm that I have made a physical inspection of the market and surrounding area and the information obtained in the field has been used to determine the need and demand for LIHTC units. I understand that any misrepresentation of this statement may result in the denial of further participation in the South Carolina State Housing Finance &

12/3/17
Final

Development Authority's programs. I also affirm that I have no financial interest in the project or current business relationship with the ownership entity and my compensation is not contingent on this project being funded. This report was written according to the SCSHFDA's market study requirements. The information included is accurate and can be relied upon by SCSHFDA to present a true assessment of the low-income housing rental market.

Market Analyst Author

Date

2018 EXHIBIT S – 2 SCSHFDA PRIMARY MARKET AREA ANALYSIS SUMMARY:

Development Name: _____ Total # Units: _____
 Location: _____ # LIHTC Units: _____
 PMA Boundary: _____
 Development Type: ___ Family ___ Older Persons Farthest Boundary Distance to Subject: _____ miles

RENTAL HOUSING STOCK (found on page ___)

Type	# Properties	Total Units	Vacant Units	Average Occupancy
All Rental Housing				%
Market-Rate Housing				%
Assisted/Subsidized Housing not to include LIHTC				%
LIHTC (All that are stabilized)*				%
Stabilized Comps**				%
Non-stabilized Comps				%

* Stabilized occupancy of at least 93% (Excludes projects still in initial lease up).

** Comps are those comparable to the subject and those that compete at nearly the same rent levels and tenant profile, such as age, family and income.

Subject Development					Adjusted Market Rent			Highest Unadjusted Comp Rent	
# Units	# Bedrooms	Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
				\$	\$	\$	%	\$	\$
				\$	\$	\$	%	\$	\$
				\$	\$	\$	%	\$	\$
				\$	\$	\$	%	\$	\$
				\$	\$	\$	%	\$	\$
Gross Potential Rent Monthly*				\$	\$		%		

*Market Advantage is calculated using the following formula: (Gross Adjusted Market Rent (minus) Gross Proposed Tenant Rent) (divided by) Gross Adjusted Market Rent. The calculation should be expressed as a percentage and rounded to two decimal points. The Rent Calculation Excel Worksheet must be provided with the Exhibit S-2 form.

DEMOGRAPHIC DATA (found on page ___)

	2010	2017	2020
Renter Households	%	%	%
Income-Qualified Renter HHs (LIHTC)	%	%	%
Income-Qualified Renter HHs (MR)	%	%	%

TARGETED INCOME-QUALIFIED RENTER HOUSEHOLD DEMAND (found on page ___)

Type of Demand	50%	60%	Market-rate	Other:___	Other:___	Overall
Renter Household Growth						
Existing Households (Overburd + Substand)						
Homeowner conversion (Seniors)						
Other:						
Less Comparable/Competitive Supply						
Net Income-qualified Renter HHs						

CAPTURE RATES (found on page ___)

Targeted Population	50%	60%	Market-rate	Other:___	Other:___	Overall
Capture Rate						

ABSORPTION RATE (found on page ___)

Absorption Period _____ months

2018 S-2 RENT CALCULATION WORKSHEET

# Units	Bedroom Type	Proposed Tenant Paid Rent	Gross Proposed Tenant Rent	Adjusted Market Rent	Gross Adjusted Market Rent	Tax Credit Gross Rent Advantage
	0 BR		\$0		\$0	
	0 BR		\$0		\$0	
	0 BR		\$0		\$0	
	1 BR		\$0		\$0	
	1 BR		\$0		\$0	
	1 BR		\$0		\$0	
	2 BR		\$0		\$0	
	2 BR		\$0		\$0	
	2 BR		\$0		\$0	
	3 BR		\$0		\$0	
	3 BR		\$0		\$0	
	3 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
	4 BR		\$0		\$0	
Totals	0		\$0		\$0	#DIV/0!