



Arizona
Department
of Housing

Qualified Contract Application

**Please complete and submit the required documentation through
the Asset Management Portal on the ADOH website**

Please remit the required fees through the ADOH Payment Portal or to:

Arizona Department of Housing
Attention: Asset Manager
1110 West Washington Street, Suite 280
Phoenix, AZ 85007



WHAT IS A QUALIFIED CONTRACT?

All Qualified Low-Income Housing Projects allocated Low Income Housing Tax Credits (“LIHTC”) in the 1990 tax year or later must comply with all LIHTC requirements for the duration of the Extended Use Period, a period of not less than thirty (30) years after the project is placed in service. However, the Land Use Restriction Agreement (LURA), Section 42 (h)(6)(E) of the Internal Revenue Code (IRC), allows the extended use period to terminate after the original fifteen (15) year compliance period by applying to the State Tax Credit allocating agency for a Qualified Contract, provided the owner did not waive such rights. Section 42(h)(6)(I) of the Internal Revenue Code provides that Project owners may apply to the state Tax Credit allocating agency for a Qualified Contract after the fourteenth year of the Compliance Period.

A Qualified Contract is a bona fide contract to acquire an LIHTC project for the sum of the existing debt, adjusted investor equity and other capital contributions, less project cash distributions as set forth in IRC §42(h)(6)(F). The “Qualified Contract Price” will establish the minimum price which is required by IRC Section 42. Under the Qualified Contract process, the State Tax Credit allocating agency has one year from the date of application to procure a qualified buyer to purchase the project at the Qualified Contract Price. If the agency fails to do so, it may release the project from the requirements of the LIHTC subject to the three-year deregulation period required by IRC § 42(h)(6)(E)(ii).

THE QUALIFIED CONTRACT APPLICATION PROCESS

This Qualified Contract Application describes the process and the requirements for requesting that the Arizona Department of Housing (“ADOH”) procure a Qualified Contract buyer to purchase a Qualified Low Income Housing Project from the owner. This application implements the Qualified Contract process described by IRC § 42(h)(6)(F). Only Qualified Low-Income Housing Projects (i.e. LIHTC properties with no outstanding I.R.S. 8823 forms) after the fourteenth year of the Compliance Period or later are eligible to apply for a Qualified Contract. By executing this application, the applicant agrees to the Qualified Contract process described below. To initiate the ADOH Qualified Contract Application Process the property owner must **submit the following items through the ADOH Asset Management Portal:**

- 1) Cover letter describing the project and its eligibility for a Qualified Contract;
- 2) Completed application forms (parts A, B and C);
- 3) All documents and materials listed in part D - “Documents and Supporting Materials”;
- 4) Signed Owner’s Warranties and Representations (part F);
- 5) Calculation of the Qualified Contract Price (part G) as of a date within ninety (90) days of the date of application.

In addition, the fees described below must be paid through the ADOH Payment Portal or by delivering them to the ADOH office:

- A non-refundable Administrative Fee in the amount of \$1,500.00; and
- A refundable Professional Fee Deposit in the amount of \$8,000.00.

The Department will use the Professional Fee Deposit to cover the costs of an appraisal prepared by a State-certified general appraiser and other third party reports as deemed necessary. In the event that the Professional Fee Deposit is not sufficient to cover the cost of third party reports, ADOH will invoice applicant for any additional amount. The Qualified Contract Application will not be reviewed until the Administrative Fee and Professional Fee Deposit are received. Failure of applicant to remit any additional amounts requested by ADOH within thirty (30) calendar days will result in the suspension of further action on the Qualified Contract by ADOH and the property will remain affordable through the

term of the LURA. Copies of any professional reports or opinions commissioned will be provided to the applicant upon request when they are available to ADOH.

ADOH will review the third party reports and other available information. Upon acceptance of the third party reports ADOH will offer the project for sale to the general public, based upon reasonable efforts, at the determined Qualified Contract Price. This includes, at minimum, advertising the availability of the property on its website, issuing an information bulletin to its mailing list and continuing its efforts until a Qualified Contract is presented to the owner or the one (1) year period has expired. The Department may disqualify prospective purchasers who have failed to demonstrate the experience and capacity to manage the project in accordance with IRC § 42, its implementing regulations and the Arizona Qualified Allocation Plan.

In the event that the owner fails to cooperate with ADOH in the marketing of the property, ADOH may suspend the one (1) year Qualified Contract period or deem the project ineligible for a Qualified Contract and the owner will be required to comply with the full term of the Extended Use Period of the LURA. Failure to cooperate shall include, but not be limited to, Owner's failure to complete the application, respond to any ADOH request for documentation, delay or refuse to allow inspections of the property by prospective purchasers.

The Owner is not required to accept any purchase offers presented through ADOH; however, if the Owner rejects an offer at or above the Qualified Contract Price, the development will remain affordable throughout the term of the LURA recorded against the property.

If ADOH fails to present a Qualified Contract to purchase the project property by the end of the one (1) year Qualified Contract period, ADOH may issue a Partial Release and Release of Declaration of Affirmative Land Use Restriction Covenants Agreement ("Partial Release"). This document terminates and releases the Land Use Restriction Agreement except as required by IRC §42(h)(6)(E)(ii). If there are any compliance issues at the property, ADOH would delay or consider revoking the Partial Release until such time as the issues are corrected.

The execution of a Qualified Contract or passing of the one (1) year Qualified Contract term shall not result in the termination of any restrictive covenant or other regulatory agreement related to a source of funding other than the Low Income Housing Tax Credit program.



On behalf of _____ [Name of Owner], pursuant to § 42(h)(6)(E)(ii) and (F) of the Internal Revenue Code the undersigned hereby applies for the Arizona Department of Housing (ADOH) to present a Qualified Contract for the purchase of the project listed below:

A. PROJECT IDENTIFICATION

Project Name: _____
LIHTC TC #: _____
Address: _____
City, State, Zip: _____
First Year of Credit Period: _____

B. OWNER INFORMATION

1. Owner Contact Information

Owner Legal Name: _____
Owner Contact Person: _____
Owner Mailing Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail: _____

If Owner's "Physical Address" is different from the "Mailing Address", provide the physical address below:

Owner Physical Address: _____
City, State, Zip: _____

Is the Owner in good standing with the State of Arizona? [] Yes [] No

2. Applicant Contact Information (if different than the Owner)

Applicant Legal Name: _____
Applicant Contact Person: _____
Applicant Mailing Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail: _____

If Applicant's "Physical Address" is different from the "Mailing Address", provide the physical address below:

Applicant Physical Address: _____
City, State, Zip: _____

Relationship of Applicant to Owner: _____

3. Ownership Entity: (List all of the general partners, limited partners, members and directors.
Please attach a current organizational chart and list any additional partners on an attachment)

Managing Member 1 / General Partner 1

Organization Legal Name: _____
Organization Contact Person: _____
Organization Mailing Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail: _____ % Ownership: _____
Type of Entity: For-Profit Corp. Nonprofit Corp. General Partnership
 LLC Limited Partnership Other _____
Applicant's Ownership Interest: General Partner Limited Partner Member
 Director Other _____

Is the Organization in good standing with the State of Arizona? Yes No

Managing Member 2 / General Partner 2

Organization Legal Name: _____
Organization Contact Person: _____
Organization Mailing Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail: _____ % Ownership: _____
Type of Entity: For-Profit Corp. Nonprofit Corp. General Partnership
 LLC Limited Partnership Other _____
Applicant's Ownership Interest: General Partner Limited Partner Member
 Director Other _____

Is the Organization in good standing with the State of Arizona? Yes No

Investing Member 1 / Investing Limited Partner 1

Organization Legal Name: _____
Organization Contact Person: _____
Organization Mailing Address: _____
City, State, Zip: _____
Phone: _____ Fax: _____
E-mail: _____ % Ownership: _____
Type of Entity: For-Profit Corp. Nonprofit Corp. General Partnership
 LLC Limited Partnership Other _____
Applicant's Ownership Interest: General Partner Limited Partner Member
 Director Other _____

Is the Organization in good standing with the State of Arizona? Yes No

Investing Member 2 / Investing Limited Partner 2

Organization Legal Name: _____

Organization Contact Person: _____

Organization Mailing Address: _____

City, State, Zip: _____

Phone: _____ Fax: _____

E-mail: _____ % Ownership: _____

Type of Entity: For-Profit Corp. Nonprofit Corp. General Partnership
 LLC Limited Partnership Other _____

Applicant's Ownership Interest: General Partner Limited Partner Member
 Director Other _____

Is the Organization in good standing with the State of Arizona? Yes No

C. PROJECT INFORMATION

1. How many buildings are in the project? _____
2. On the chart below, indicate the date that each building was placed in service and the first year in which it claimed credits. Please provide copies of original 8609's for each building with Part II completed. *(Please list information on additional buildings on an attachment.)*

Building ID Number (BIN)	Address of Building	Placed In Service Date	Applicable Fraction	1 st Year Credits Claimed

4. On a separate page identify market rate buildings, units or other Project elements that are not included in Qualified Eligible Basis under Code Section 42.

5. **Type of Housing**

- | | |
|--|--|
| <input type="checkbox"/> Multifamily Residential | <input type="checkbox"/> Single Family |
| <input type="checkbox"/> Housing for the Elderly (55 or Older) | <input type="checkbox"/> Congregate Care |
| <input type="checkbox"/> Housing for the Elderly (62 or Older) | <input type="checkbox"/> Assisted Living |
| <input type="checkbox"/> Other, _____ | |

6. **Type of Units**

- | | | |
|--|------------------------------------|--|
| <input type="checkbox"/> Apartments | <input type="checkbox"/> Townhomes | <input type="checkbox"/> Single Room Occupancy |
| <input type="checkbox"/> Semi-Detached | <input type="checkbox"/> Detached | <input type="checkbox"/> Other, _____ |

7. **Special Needs Tenants**

On a separate page, describe any targeted special needs tenant populations, such as homeless, mentally disabled, etc. and indicate the number of units designated for targeted tenants.

8. **Support services** provided to the tenants? Yes No
 If yes, are they included in the rent? Yes No

On a separate page identify the current supportive services provider and provide a description of the tenant service(s) provided.

9. **Utilities**

Check the appropriate box(es) below to indicate which of the following (if any) are paid by the tenant.

- Gas Electric Water Sewer Trash Other _____

D. DOCUMENTS AND SUPPORTING MATERIALS

The Department will not deem the application complete until all of the following documents and supporting materials have been provided to ADOH. **The documents and materials must be submitted through the Asset Management Portal on the ADOH website**, appropriately identified as follows:

Description	
1.	Partnership Agreement - A copy of the effective Limited Partnership Agreement, LLC Operating Agreement or other similar agreement that describes the duties and obligations of the constituent members of the ownership entity.
2.	Loan Documents for All Secured Debt - Loan documents for all debt currently secured by the project and lender estoppel letters indicating that each loan is in good standing, the outstanding loan amount and that the owner is not in default.
3.	CPA Opinion - An opinion of a Certified Public Accountant that the calculation of the Qualified Contract Price (except for the calculation of the fair market value of the non-low income portion of the project) is true and correct and supported by the records of the applicant.
4.	Equity Contributions and Distributions - Copies of any correspondence memorializing contributions and distributions to the constituent participants in the ownership entity.
5.	Narratives and other supporting documents required by application - a. Identify all constituent entities of the ownership entity not identified in (B)(2). b. Identify the current supportive services provider and provide a description of the tenant service(s) provided
6.	Annual Audited Financial Statements - Annual Audited Financial Statements for all years of operation since commencement of the compliance period.
7.	Partnership Income Tax Returns - Annual income tax returns for the ownership entity for all years of operation since the start of the LIHTC compliance period.
8.	Rent Roll - A current rent roll no more than ninety (90) days from the date of application.

E. ATTACHMENTS AND ENCLOSURES

Although not required in the initial application, Applicants must be prepared to make the following information available to ADOH if requested by prospective purchasers.

Description	
1.	Summary of Operating Costs - Reports, certified as true and correct by a Certified Public Accountant of the operating costs for the project over the past thirty-six (36) months in sufficient detail to fairly apprise a potential purchaser of the reasonable costs of operating the project.
2.	Description of Site Amenities and Unit Amenities - A thorough narrative description of the project, including all unit and site amenities, suitable for familiarizing prospective purchasers with the project.
3.	Description of All Use Restrictions - Copies of all currently effective declarations, covenants, conditions or other use restrictions including restrictions of tenant income, allowable rents, physical conditions, if any, applicable to the project.
4.	Environmental Review - Phase I environmental and, if necessary, Phase II assessment.
5.	Local Code Compliance - A current (dated within thirty (30) days of date of the application) letter from the municipality with jurisdiction over the project demonstrating that the project complies with all applicable zoning, building and safety codes and local ordinances.
6.	Photographs - Detailed set of color, digital photographs of the project (on CD or DVD), including the interior and exterior of representative apartment units and buildings, the main project entrance and the project grounds. Photographs must have been taken within six (6) months prior to submission of this Application.

F. OWNER'S WARRANTIES AND REPRESENTATIONS

The applicant warrants, represents, that:

1. It is the duly authorized representative of the Owner and is fully empowered to enter into any subsequent commitments or agreements on behalf of the Owner to execute a Qualified Contract for the subject project;
2. The Section 42 Low Income Housing Tax Credit project that is the subject of this application is in the fifteenth year of the Compliance Period or later, and that the no I.R.S. 8823 forms issued by ADOH for the property remain uncorrected during any cure periods in accordance with Section 42 of the Code and the relevant Treasury Regulations;
3. It has conducted its own investigation and due diligence with respect to the Calculation of the Qualified Contract Price and the Qualified Contract procedure set forth in Section 42(h)(6)(F) of the Internal Revenue Code; and,
4. The application is truthful, accurate and complete and contains no material misstatements or misleading information.

Applicant further acknowledges, consents and agrees as follows:

5. The applicant agrees for itself and on behalf of the ownership entity and all of its constituent partners, limited partners, special limited partners, members, special members, to indemnify and hold ADOH, its officers, employees and the State of Arizona harmless against all losses, costs, damages and liabilities of any nature directly or indirectly resulting from, arising out of or relating to ADOH's acceptance, consideration, approval or disapproval of this Application;
6. The applicant is solely responsible for documents and information provided to ADOH with this application, including the Calculation of Qualified Contract Price form and the Worksheets thereto, and any other documents or project information that it may provide to ADOH and/or share with prospective purchasers at a later time;
7. The applicant agrees that the information, attachments and exhibits contained in this Application may be shared with prospective purchasers, real estate brokers and agents of ADOH and summary data may be posted on ADOH's website or on websites used by agents contracted by ADOH to process the Qualified Contract and market the property;
8. The applicant agrees to cooperate with ADOH and its agents with respect to ADOH's efforts to present a Qualified Contract for the purchase of this project and understands that failure to cooperate with ADOH's efforts will suspend the one (1) year time period for ADOH to present a "Qualified Contract". In this regard, the applicant agrees that prior to the presentation of a Qualified Contract, the applicant may need to share project "due diligence" with ADOH or its agents to review the Qualified Contract Price calculation, to market the project and work with prospective purchasers. Such due diligence includes but is not limited to providing rent rolls, project tax returns, income certifications and other Section 42 compliance records, records with respect to repair and maintenance of the project, operating expenses and debt service. The applicant also agrees to share with ADOH (or its agents), at its request, documents and other information that were used to prepare the Calculation of Qualified Contract Price, including the part G Worksheets attached to this Application. Applicant also agrees to allow ADOH, its agents and prospective purchasers, upon reasonable prior written notice, to visit and inspect the project, including representative apartment units.
9. If ADOH finds a prospective purchaser willing to present an offer to purchase the project for an amount equal to or greater than the "Qualified Contract" price, applicant agrees to enter into a

commercially reasonable form of earnest money agreement or other contract of sale for the project which will allow prospective purchaser a reasonable period of time to undertake additional, customary due diligence prior to closing the purchase. Applicant further understands that if it fails to enter into a commercially reasonable form of earnest money agreement with the prospective purchaser, then ADOH will have presented a Qualified Contract for the purchase of the project and the project will remain subject to the requirements of the Extended Use Agreement for the full extended use period described in the LURA.

10. The applicant agrees that any material omission or misrepresentation of fact shall be grounds for rejection of the Application.
11. The applicant acknowledges that the failure to provide any document, material or other information requested in this application, regardless of whether any such item remains available or under the control of the applicant, may be grounds for refusal to proceed with the Qualified Contract by ADOH.
12. The applicant agrees that the following information with respect to the project will be available in our principal place of business for inspection by interested purchasers during normal business hours:
 - a. Annual budgets for the last two (2) years and current fiscal year;
 - b. Annual summaries of operating expenses for the last two (2) years; updated quarterly for the current fiscal year;
 - c. Copies of loan documents including promissory notes, deeds or trust or mortgages for all loans encumbering the property;
 - d. Copies of all insurance policies;
 - e. Current rent roll and all rent roll(s) prepared during the previous twelve (12) months;
 - f. Service contracts for any services including but not limited to social services for the tenants, utilities, trash collection, extermination, appliance or HVAC servicing, laundry, etc; and,
 - g. Current utility allowance calculations as appropriate.
13. Neither ADOH nor any of its employees have made any independent investigation or review of the accuracy, truthfulness or completeness of the application.

IN WITNESS WHEREOF, the applicant has caused this document to be duly executed in its name on this _____ day of _____, 20_____.

Owner: _____, a(n) _____ (state)
_____ (indicate type of entity [i.e. limited partnership, corporation, limited liability company, etc.]

By: _____, its _____ (indicate type of affiliation [i.e. general partner or managing member])

By: _____
[sign name and title]

[print signatory's name and title]

G. QUALIFIED CONTRACT PRICE WORKSHEETS

As of _____, 20____

SUMMARY OF QUALIFIED CONTRACT PRICE (Must be calculated within ninety (90) days of the Application date)

(A)	Calculation of low-income portion	
(i)	Outstanding indebtedness secured by or with respect to the building (from Calculation Worksheet 1)	\$ _____
(ii)	Adjusted investor equity (from Calculation Worksheet 2)	\$ _____
(iii)	Other capital contributions not reflected in (i) & (ii) (from Calculation Worksheet 3)	\$ _____
(iv)	Total of (i) (ii) and (iii)	\$ _____
(v)	Cash distributions from or available for distribution from the project (from Calculation Worksheet 4)	\$ _____
(vi)	Line (iv) – line (v)	\$ _____
(vii)	Applicable fraction	_____ %
(viii)	Low-income portion of the Qualified Contract line (vi) multiplied by line (vii)	\$ _____
(B)	Fair Market Value of non low-income portion of the building(s) (appraised value) (from Calculation Worksheet 5)	\$ _____
	Total QCP (add line (viii) and line B)	\$ _____

CALCULATION WORKSHEET 1

UNPAID PRINCIPAL BALANCE AND ACCRUED INTEREST (Must be calculated within ninety (90) days of the Application date)

The unpaid principal balance and accrued interest of each loan secured by the project. The total of all loans should be transferred to calculations worksheet summary line (i).

1.	First Mortgage Loan:			
	Lender:	_____		
	Outstanding Principal Balance:		\$	_____
	Accrued Interest Rate:	_____ %	\$	
			Subtotal	\$ <input type="text"/>
2.	Second Mortgage Loan:			
	Lender:	_____		
	Outstanding Principal Balance:		\$	_____
	Accrued Interest Rate:	_____ %	\$	
			Subtotal	\$ <input type="text"/>
3.	Third Mortgage Lender:			
	Lender:	_____		
	Outstanding Principal Balance:		\$	_____
	Accrued Interest Rate:	_____ %	\$	
			Subtotal	\$ <input type="text"/>
4.	Fourth Mortgage Lender:			
	Lender:	_____		
	Outstanding Principal Balance:		\$	_____
	Accrued Interest Rate:	_____ %	\$	
			Subtotal	\$ <input type="text"/>

Total all subtotals and enter on Summary of Qualified Contract Price at Line (i).

Please attach amortization schedule from lender for each loan(s) identified.

CALCULATION WORKSHEET 2

ADJUSTED INVESTOR EQUITY

The Qualified Contract Price includes the sum of the “Adjusted Investor Equity” with respect to the project. “Adjusted Investor Equity” is defined in Section 42(h)(6)(G) of the Internal Revenue Code as “with respect to any calendar year, the aggregate amount of cash that taxpayers invested with respect to the project, increased by the amount equal to - (I) such amount, multiplied by (II) the cost-of-living adjustment for such calendar year, determined under I.R.C. §1(f)(3) by substituting the base calendar year for ‘calendar year 1987’. An amount shall be taken into account as an investment in the project only to the extent there was an obligation to invest such amount as of the beginning of the credit period and to the extent such amount is reflected in the adjusted basis of the project”.

Not all capital contributions with respect to the project qualify as “Adjusted Investor Equity”. Specifically, cash invested in the project should be included in this Worksheet B only if each of the following is true:

- (i) The cash is contributed as a capital contribution and not as a loan or advance;
- (ii) The amount is reflected in the adjusted basis of the project (until there is further guidance from the Internal Revenue Service, the Department will interpret this to mean cash contributions used to directly fund adjusted basis and cash contributions used to pay off a construction or bridge loan, the proceeds of which directly funded adjusted basis); and
- (iii) There was an obligation to invest the amount as of the beginning of the credit period (until there is further guidance from the Internal Revenue Service, the Department will interpret this to include cash actually invested before the beginning of the credit period and cash invested after the beginning of the credit period for which there was an obligation to invest at the beginning of the credit period).

With respect to Calculation Worksheet 2, subsection (i) for each calendar year requires you to set forth the identity of the investor. Typically, this will be the tax credit investor (i.e. the investor limited partner); however, it may include a general partner if the cash investment by a general partner otherwise satisfies the requirements set forth above.

Calculation Worksheet 2, subsection (ii) requires you to set forth the amount of qualifying cash equity that was invested in the project for that calendar year. This amount should include only cash that was actually contributed to the project that year; it should not include amounts for which there was a mere obligation to invest.

Calculation Worksheet 2, subsection (iii) sets forth the cost-of-living adjustment for each calendar year. Investment amounts qualifying as investor equity are entitled to a cost-of-living adjustment. The Certified Public Accountant must calculate the applicable cost-of-living adjustment for each year based on the Consumer Price Index - All Urban Consumers (“CPI”) available through the U.S. Department of Labor, Bureau of Labor Statistics. Pursuant to I.R.C. § 1(f)(4) and 42(h)(6)(G)(ii) of the Internal Revenue Code, the CPI adjustment is calculated for each twelve (12) month period ending August 31st. Use the annual CPI adjustment for the period ending August 31, 2009.

After calculating the investment amount and cost-of-living adjustment, if any, for each year, enter this total to Summary of Qualified Contract Price, Section (A) line (ii).

CALCULATION WORKSHEET 2 - Page 2

1.	1990 Adjusted Investor Equity		
	(i) Investor: _____		
	(ii) Investment Amount:	\$	_____
	(iii) Cost of Living Adjustment:	X	_____
	Subtotal	\$	
2.	1991 Adjusted Investor Equity		
	(i) Investor: _____		
	(ii) Investment Amount:	\$	_____
	(iii) Cost of Living Adjustment:	X	_____
	Subtotal	\$	
3.	1992 Adjusted Investor Equity		
	(i) Investor: _____		
	(ii) Investment Amount:	\$	_____
	(iii) Cost of Living Adjustment:	X	_____
	Subtotal	\$	
4.	1993 Adjusted Investor Equity		
	(i) Investor: _____		
	(ii) Investment Amount:	\$	_____
	(iii) Cost of Living Adjustment:	X	_____
	Subtotal	\$	
5.	1994 Adjusted Investor Equity		
	(i) Investor: _____		
	(ii) Investment Amount:	\$	_____
	(iii) Cost of Living Adjustment:	X	_____
	Subtotal	\$	
6.	1995 Adjusted Investor Equity		
	(i) Investor: _____		
	(ii) Investment Amount:	\$	_____
	(iii) Cost of Living Adjustment:	X	_____
	Subtotal	\$	
7.	1996 Adjusted Investor Equity		
	(i) Investor: _____		
	(ii) Investment Amount:	\$	_____
	(iii) Cost of Living Adjustment:	X	_____
	Subtotal	\$	

8.	1997 Adjusted Investor Equity		
	(i) Investor:	_____	
	(ii) Investment Amount:	\$ _____	
	(iii) Cost of Living Adjustment:	X _____	
		Subtotal	\$ <input type="text"/>
9.	1998 Adjusted Investor Equity		
	(i) Investor:	_____	
	(ii) Investment Amount:	\$ _____	
	(iii) Cost of Living Adjustment:	X _____	
		Subtotal	\$ <input type="text"/>
10.	1999 Adjusted Investor Equity		
	(i) Investor:	_____	
	(ii) Investment Amount:	\$ _____	
	(iii) Cost of Living Adjustment:	X _____	
		Subtotal	\$ <input type="text"/>
11.	2000 Adjusted Investor Equity		
	(i) Investor:	_____	
	(ii) Investment Amount:	\$ _____	
	(iii) Cost of Living Adjustment:	X _____	
		Subtotal	\$ <input type="text"/>
12.	2001 Adjusted Investor Equity		
	(i) Investor:	_____	
	(ii) Investment Amount:	\$ _____	
	(iii) Cost of Living Adjustment:	X _____	
		Subtotal	\$ <input type="text"/>
13.	2002 Adjusted Investor Equity		
	(i) Investor:	_____	
	(ii) Investment Amount:	\$ _____	
	(iii) Cost of Living Adjustment:	X _____	
		Subtotal	\$ <input type="text"/>
14.	2003 Adjusted Investor Equity		
	(i) Investor:	_____	
	(ii) Investment Amount:	\$ _____	
	(iii) Cost of Living Adjustment:	X _____	
		Subtotal	\$ <input type="text"/>
15.	2004 Adjusted Investor Equity		
	(i) Investor:	_____	
	(ii) Investment Amount:	\$ _____	
	(iii) Cost of Living Adjustment:	X _____	
		Subtotal	\$ <input type="text"/>

16. 2005 Adjusted Investor Equity
 (i) Investor: _____
 (ii) Investment Amount: \$ _____
 (iii) Cost of Living Adjustment: X _____
 Subtotal \$

17. 2006 Adjusted Investor Equity
 (i) Investor: _____
 (ii) Investment Amount: \$ _____
 (iii) Cost of Living Adjustment: X _____
 Subtotal \$

18. 2007 Adjusted Investor Equity
 (i) Investor: _____
 (ii) Investment Amount: \$ _____
 (iii) Cost of Living Adjustment: X _____
 Subtotal \$

19. 2008 Adjusted Investor Equity
 (i) Investor: _____
 (ii) Investment Amount: \$ _____
 (iii) Cost of Living Adjustment: X _____
 Subtotal \$

20. 2009 Adjusted Investor Equity
 (i) Investor: _____
 (ii) Investment Amount: \$ _____
 (iii) Cost of Living Adjustment: X _____
 Subtotal \$

21. 2010 Adjusted Investor Equity
 (i) Investor: _____
 (ii) Investment Amount: \$ _____
 (iii) Cost of Living Adjustment: X _____
 Subtotal \$

Total all Subtotals and enter on Summary of Qualified Contract, line (ii).

CALCULATION WORKSHEET 3

OTHER CAPITAL CONTRIBUTIONS

The Qualified Contract Price ("QCP") includes the amount of other capital contributions made with respect to the project. For this reason, "other capital contributions may not be limited to cash, and therefore may include "in-kind" contributions such as land (at least until there is contrary guidance from the IRS). However, if non cash contributions are included, you must be able to justify the assigned value to ADOH; if operating deficit loans or advances don't count as capital contributions:

1.	Investment Amount	\$	_____
	(i) Name of Investor:		_____
	(ii) Dates of Investment:		_____
	(iii) Investment Use:		_____
2.	Investment Amount	\$	_____
	(i) Name of Investor:		_____
	(ii) Dates of Investment:		_____
	(iii) Investment Use:		_____
3.	Investment Amount	\$	_____
	(i) Name of Investor:		_____
	(ii) Dates of Investment:		_____
	(iii) Investment Use:		_____
		TOTAL \$	_____

Total all and place on Summary of Qualified Contract Price, Line (iii).

CALCULATION WORKSHEET 4

CASH DISTRIBUTIONS FROM OR AVAILABLE FROM THE PROJECT

The QCP is reduced by the total of all cash distributions from, or available from, the project.

1. Cash accounts held by the partnership and cash distributed to the partners over fifteen (15) years \$ _____
2. Replacement reserves \$ _____
3. Fees paid from cash flow to related parties (i.e. incentive management fees over fifteen (15) years, asset management over fifteen (15) years or development fees) \$ _____

Cash distributions and fees calculated over the fifteen (15) year compliance period. Total to be entered on Summary of Qualified Contract Price, Line (v).

CALCULATION WORKSHEET 5

FAIR MARKET VALUE OF NON LOW-INCOME PORTION OF THE PROJECT
(To be completed by ADOH based on the Appraisal)

The fair market value of the Non Low-Income Portion of the Project is : \$_____

Total to be entered on the Summary of Qualified Contract Price, Line B.