

III. THRESHOLD REQUIREMENTS

Project Readiness

Does the applicant own/control the site? Yes No
(Please attach evidence of site control as Exhibit 2)

Does the applicant have all discretionary planning approvals and utility permits?
Yes No
(Please attach a letter from the jurisdiction indicating that this statement is true as Exhibit 3)

Indicate the anticipated date on which building permits will be available to be issued:

Does the local jurisdiction agree that this project complies with its Consolidated Plan and that there is a need for this housing in the community?
Yes No
(Please attach a letter from the mayor (if in an incorporated area) or chief executive of the county (if in an unincorporated area) substantiating agreement as Exhibit 4)

Credit Enhancement

Will the bonds be publicly sold? Yes No
If publicly sold, please attach a letter from the underwriter and credit enhancer, indicating that the underwriter will commit to selling the bonds, and that the credit enhancer will provide enhancement as Exhibit 5.
What will the bond rating be:
The bonds will be, at initial issuance: variable fixed rate
How long will the initial credit enhancement last:

Will the bonds be privately placed? Yes No
If privately placed, please attach a letter from the private purchaser, indicating that it is a qualified institutional purchaser, the terms of the purchase, and acceptance of the requirement that the bonds will be restricted to future purchase by other qualified institutional purchasers only as Exhibit 5.

Minimum Income Requirement

The project will provide (check one)
At least 40% of the units occupied by individuals whose income is at 60% or less of AMGI (area median gross income), adjusted by family size____
OR
At least 20% of the units occupied by individuals whose income is 50% or less of AMGI, adjusted by family size____

per the charts at the DSHA website. These Charts are located at www2.state.de.us/dsha/lihtc_frame.htm under the Qualified Allocation Plan tab for the current year.

Minimum length of affordability

The project rents will be restricted for a minimum of 30 years or until the bonds are paid off, whichever comes first: Yes____ No_____

IV. HOUSING POLICY ISSUES

If the applicant is requesting bond issuance without requesting tax credits, please check all applicable statements listed in this section (IV.) In cases where this application is made in conjunction with a request for tax credits, the remainder of this section may be skipped as it will be dealt with as part of the tax credit application process.

The following percent of units will be restricted to households in policy, per Executive Order 28 (available online at <http://www.state.de.us/governor/orders/webexecorder28.shtml#TopOfPage> and upon request from DSHA): _____

The following special needs groups will be served:

- _____ This project is a preservation project.
- _____ This project will reserve 100% of its units for special needs (i.e, homeless, persons with HIV/Aids, farm workers, mentally or physically disabled).
- _____ This project will reserve 100% of its units for farm workers.
- _____ This project will reserve at least 30% of its units for households at poverty level.

V. FEES

Application Fee: The undersigned hereby attaches a cashier's check for \$500.00 representing a non-refundable application fee.

Issuance Security Deposit: The undersigned hereby attaches an additional cashier's check for another 40 basis points of the proposed issuance amount. This amount represents the Issuance Security Deposit and will be refunded if the bonds for this project are issued within 100 days of the date of the allocation, as indicated by the allocation letter from DSHA. Otherwise, the allocation may be rescinded, and the Issuance Security Deposit will be retained by DSHA.

Issuance Fee: The undersigned also agrees to pay 35 basis points of the proposed issuance amount or \$100,000, whichever is lower at the time of bond closing. The 35 basis points is non-refundable.

Monitoring Fee: The undersigned agrees to pay to DSHA an amount equal to 5 basis points of the issuance amount, upon issuance, to cover the costs of ongoing monitoring by DSHA while the bonds are outstanding.

Annual Issuer Fee: Borrowers shall pay an annual issuer fee, payable in arrears, of 12.5 basis points (0.125%) of the initial bond amount. The dollar amount of the fee remains constant and does not decline as the outstanding bond balance declines. The fee must be paid so long as bonds remain outstanding.

VI.

ACKNOWLEDGEMENTS AND AGREEMENTS

The undersigned applies for the issuance of the Tax-Exempt Bonds indicated in this application and represents that the property will not be used for any illegal or restricted purpose, and that all statements made in this application are true and are made for the purpose of issuing the Tax-Exempt Bonds. The applicant hereby certifies that he/she believes the development can be completed within the development budget set forth and that the development can be operated within the operating budget set forth. In addition, the applicant certifies that the Sources and Uses of Funds includes the full amount of all federal, state or local subsidies/funds that are committed or anticipated for the development. Verification may be obtained from any source named in this application. The Delaware State Housing Authority will retain the original or a copy of this application, even if the Tax-Exempt Bonds are not issued.

The applicant further represents that if it receives an allocation for Tax-Exempt Bonds, as a result of this application, it will promptly furnish such other supporting information and documents as may be requested. In carrying out the development and operation of the development, the applicant agrees to comply with all applicable federal and state laws regarding unlawful discrimination and Tax-Exempt Bond rules and regulations. The Authority is not responsible for actions taken by the applicant in reliance on a prospective Tax-Exempt Bond allocation. It is further understood and agreed by the Applicant that for the purpose of determining qualified developments and allocating the Tax-Exempt Bonds, the Delaware State Housing Authority can reduce, modify or reject any or all Tax-Exempt bond allocation requests.

By submitting this application, the applicant acknowledges and agrees that the entire application, including attachments, shall be deemed a "public record" for the purposes of the Delaware Freedom of Information Act ("FOIA"), codified at 29 Del. § 10001-10005. By submitting this application, the applicant further acknowledges and agrees that the entire application is subject to public examination and copying pursuant to FOIA and any privacy rights otherwise applicable are hereby waived. In addition, DSHA reserves the right to request additional information during the review process should it be deemed necessary. Any such information requested and/or provided, shall be considered part of the application and shall be subject to the acknowledgments, agreements and waivers contained herein.

I/we fully understand and hereby acknowledge, that making a false written statement as part of this application process, where the statement is known to be false or believed not to be true, constitutes the crime of Making a False Statement is a class A misdemeanor. (11 Del. C. 1953, § 1233).

(Signature)

Date

(Print Name)

(Title)

(Legal Name of Applicant)

(Signature)

Date

(Print Name)

(Title)

(Legal Name of Applicant)

Application Checklist – Tax-Exempt Bonds:

- _____ Tax Exempt Bond Application Form, completed and signed
- _____ Exhibit 1: Organizational documents
 - Articles of Incorporation
 - Bylaws
 - LLC or Partnership Agreement
 - Articles of Organization
 - Tax Status
- _____ Exhibit 2: Evidence of Site Control
- _____ Exhibit 3: Planning Approvals and Utility Permit Evidence
- _____ Exhibit 4: Chief Executive Letter of Project’s Compliance with the Community’s CHAS/housing needs.
- _____ Exhibit 5: Underwriter/Credit Enhancer or Private Purchaser Commitment
- _____ Application Fee (Cashier’s Check or equivalent)