

## GENERAL

The purpose of the Application package is to afford the Department of Community Affairs (DCA) the information necessary to select the most feasible, viable, and desirable affordable housing project proposals. Selections are made in accordance with the DCA Program Descriptions, Threshold Criteria, and Competitive Selection Criteria, as well as Section 42 of the Internal Revenue Code, 24 CFR Part 91, and O.C.G.A. Title 50-26-8(a)(32). **It is extremely important that all applicants fully understand these documents. DCA shall not be held responsible for consequences resulting from an applicant's misunderstanding or unawareness of any regulation, policy, law, or other information in the public record.** The Code of Federal Regulations can be found at <http://www.access.gpo.gov/nara/cfr/cfr-table-search.html>. The HOME Final Regulation is found at 24 CFR Part 92. The Internal Revenue Service regulations governing tax credits can be found starting at 26 CFR Part 1.42.

Any application submitted becomes the property of the Georgia Department of Community Affairs (DCA) at the time of submission. Applicants may not obtain an original application submitted in a previous year or original documents from an application package submitted in a previous year. A previous year's application would be of limited use, as the letters and documents would need to be updated to meet current application requirements.

All sections of the Application package and all supporting documentation must conform to the applicable sections of the 2011 DCA Application Manuals, 2011 DCA Qualified Allocation Plan, and 2011 Application Forms, which can be found on the DCA website at: [www.dca.ga.gov/housing/HousingDevelopment/programs/QAP2011docs.asp](http://www.dca.ga.gov/housing/HousingDevelopment/programs/QAP2011docs.asp). Should there be a discrepancy between the 2011 DCA Qualified Allocation Plan and any other 2011 DCA document, then what is stated in the Qualified Allocation Plan shall rule.

It is the strict policy of the Georgia Department of Community Affairs that all applicants will be held to all representations made in the OAH 2011 Core Application Form and all supporting documentation, whether the representations apply to specific competitive selection criteria or not, for the duration of the greater of the Credit Compliance Period or term of the HOME loan. Changes of any Project Participant after submission of Application to DCA must be approved in writing by DCA prior to the change. Failure to obtain the appropriate approvals can result in DCA determining that an entity is no longer eligible to participate.

***Please read these entire Instructions carefully and thoroughly for complete comprehension.***

**If you require clarification of any policy or issues related to the Qualified Allocation Plan, please contact [oahround2011@dca.ga.gov](mailto:oahround2011@dca.ga.gov).**

**If you have any questions regarding the operation of the electronic core application, please contact Stephen Barrett at [Stephen.Barrett@dca.ga.gov](mailto:Stephen.Barrett@dca.ga.gov).**

Georgia Department of Community Affairs  
Office of Affordable Housing  
2011 Core Application Instructions

<b>FEES</b>
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A **“Walk-In Submission Form and Application Fee Calculation Worksheet”** is attached for the applicant’s use in determining fee due and facilitating the application submission process. A **DCA Project Number** will be assigned by DCA upon delivery of Application. Applicant must complete this form as indicated, attach a completed money order or cashier’s check to it (payable to Georgia Housing and Finance Authority), and include in the front of the scoring binder as instructed in the next section.

**DCA PRE-APPLICATION DEADLINES AND FEE SCHEDULE**

For Profit, Nonprofit, and For Profit/Nonprofit Joint Ventures

	<b>Fees</b>	<b>9% Deadline</b>	<b>4% Deadline</b>
Amenities Pre-Approval	\$1,500 per waiver	May 12, 2011	No later than 30 days prior to submittal of the LIHTC application
Architectural Standards Waiver	\$1,500 per waiver	May 12, 2011	No later than 30 days prior to submittal of the LIHTC application
DCA HOME Consent Loan Pre-Application Application	\$1000 For Profits, \$1000 For Profits/ Nonprofits Joint Venture, \$500 Nonprofits	May 12, 2011	N/A
Qualification Determination	NONE	May 12, 2011	No later than 30 days prior to submittal of the LIHTC application
Operating Expense Waiver	\$1,500 per waiver	May 12, 2011	No later than 30 days prior to submittal of the LIHTC application
Payment & Performance Bond Waiver	\$1,500 per waiver	May 12, 2011	N/A
Probationary Participation	\$1,500 per waiver	May 12, 2011	No later than 30 days prior to submittal of the LIHTC application
Pre-determination of Qualification to Compete	NONE	May 12, 2011	No later than 30 days prior to submittal of the LIHTC application

**DCA APPLICATION AND PRE-AWARD DEADLINES & FEE SCHEDULE**

Failure to meet deadlines below will be considered in Experience and Compliance Reviews

For Profit, Nonprofit, and For Profit/Nonprofit Joint Ventures

	<b>Fees</b>	<b>9% Deadline</b>	<b>4% Deadline</b>
2011 Bond/4% Credit Eligibility Opinion Letter	\$4,500 Resubmission fee of \$500 due to incomplete submissions	N/A	Pre-Application Submission no later than <b>75 days before bond closing</b> (fee not required at application if submitted with pre-application)
2011 Credit Application Fee	\$4,000 For Profits \$4000 For Profits/Nonprofits Joint Venture \$3000 Nonprofits	Application Submission June 23, 2011	N/A
Notification Due to DCA of Alternate Financing Awards	NONE	7/29/11	N/A
Alternate Financing Deadline	NONE	8/12/11	N/A

**9% Application Submission Deadline:**

**4:00 PM on June 23, 2011**

## DCA POST AWARD DEADLINES AND FEE SCHEDULE

For Profit, Nonprofit, and For Profit/Nonprofit Joint Ventures

	Fees	9% Deadline	4% Deadline
Appraisal Fee (HOME Loans Only)	Based on DCA cost	Upon invoicing by DCA during underwriting	N/A
Bond/4% Credit Processing Fee	7% of annual Federal Credit amount	N/A	Due within 30 calendar days of issuance of Letter of Determination
Certificates of Occupancy	NONE	Issued by local jurisdiction before end of business December 31, 2013	Issued by local jurisdiction before end of business December 31, 2013
Commencement of Construction/Rehabilitation (Projects w/Tax Credit and HOME)	NONE	Must satisfy all conditions necessary to commence construction within one year of date of the initial HOME commitment.	N/A
Commencement of Construction/Rehabilitation (Tax Credit Only Projects)	NONE	No later than September 30, 2012	No later than September 30, 2012
Completion of Work Scope	NONE	No later than December 31, 2013	No later than December 31, 2013
Construction Loan Closing (Tax Credit only Projects)	NONE	No later than August 31, 2012	No later than August 31, 2012
Cost Certification Amendments	\$1,500 per request	At time of request	At time of request
Credit Allocation Fee	7% of annual Federal Credit amount	At time of carryover allocation sent in except for Non Profit sole general partners who can submit at or before construction commencement deadline.	N/A
Credit Compliance Monitoring Fee (calculated on a per unit basis for all project units)	\$150 - USDA 515 Projects \$150 - URFA Bond Projects \$700 - Bond/4% Credit Projects \$700 - Others	Within 18 months of Issuance of carryover allocation, but no later than the project placed in service date or applicant will be assessed a late fee of \$25 per day	Due within 18 months of issuance of Letter of Determination or applicant will be assessed a late fee of \$25 per day
DCA Placed In Service Form	NONE	Within 30 days of the 1st building placed in service	Within 30 days of the 1st building placed in service
Design Documents as fully outlined in the Architectural Manual	NONE	Must be submitted to DCA for review and approval no later than February 1, 2012	Step II Design Development documents must be submitted at time of application.

### DCA POST AWARD DEADLINES AND FEE SCHEDULE

For Profit, Nonprofit, and For Profit/Nonprofit Joint Ventures

Failure to meet deadlines below will be considered in Experience and Compliance Review

	Fees	9% Deadline	4% Deadline
Environmental Review Costs	Based on Actual Costs incurred by DCA to retain consultants	Upon invoicing by DCA during underwriting	Upon invoicing by DCA during underwriting
Final Allocation Deadline	NONE	February 15, 2014	September 15, 2014
Final Inspection Fee (for all LIHTC properties, both 4% and 9%, excluding those projects involving HOME funds)	\$3,000 per project	Due within 30 days of final draw but no later than 30 days prior to the placed in service date or a late fee of \$25 per day will be assessed	Due within 30 days of final draw but no later than 30 days prior to the placed in service date or a late fee of \$25 per day will be assessed
Formal Firm Commitments for equity and non-DCA debt (HOME)	NONE	Must be submitted to DCA within 75 days of the carryover allocations	N/A
Front End Analysis (applicable when an Identity of Interest exists between the Developer or Owner and the general contractor)	\$2,700 per project	Due within 15 days of invoicing by DCA during underwriting (HOME Loans Only)	N/A
Georgia Housing Search	NONE	Applicant agrees that if Application is selected for funding, then the Applicant will list all of its existing developments in the Georgia Housing Search within six months of selection	Applicant agrees that Application receives a Letter of Determination, then the applicant will list all of its existing developments in the Georgia Housing Search within six months of selection
HOME Loan Closing	NONE	On or before September 1, 2012	N/A
HOME Loan Conversion	NONE	Within 24 months of the HOME construction loan closing	N/A
LURC Execution	NONE	Prior to submission of cost certification	At or prior to bond closing
Non-Compliant Re-inspection Fee	Minimum of \$50 per unit or file plus travel expenses	Due within 15 days of invoicing by DCA	Due within 15 days of invoicing by DCA
Placement-In-Service	NONE	All buildings in the project must be placed in service by December 31, 2013	All buildings in the project must be placed in service by December 31, 2013
Project Application Amendments, Post Award Project Concept Amendments, Post Letter of Determination	\$1,500 per request	At time of submission of request for amendment	At time of submission of request for amendment

Note: All outstanding fees due to DCA must be paid in full prior to issuance of 8609's for all projects receiving an allocation of tax credits per this Plan.

**REQUIRED EXECUTION AND DELIVERY**

*Please read these entire Instructions carefully and thoroughly for complete comprehension. Information not submitted on DCA-required forms will not be reviewed.*

**APPLICATION DELIVERY INSTRUCTIONS**

**DELIVER TO:**

**Office of Affordable Housing  
Georgia Department of Community Affairs  
60 Executive Park South NE  
Atlanta, Georgia 30329-2231**

For third-party delivery via a delivery service, also add to the address above the following on the outer mailing label:

**CONTENTS: OAH 2011 Application Package (Multifamily Program)**  
**<<Enter Project Name here>>**

**Please note that the applicant is solely responsible for applications being delivered prior to the deadline and that late deliveries will NOT be accepted.**

**Competitive Application Cycle**

**The Application Packages must be received by DCA no later than 4:00 p.m. on Thursday June 23, 2011.** If you wait until June 23, 2011 for walk-in delivery, tables will be set up for application receiving from 9:00 a.m. to 4:00 p.m. Arrival by 1:00 is recommended for faster processing. No assembly or copying of applications will be allowed on DCA grounds. These tasks must be performed prior to arrival at DCA. All required copies must be submitted simultaneously with the originals. **No copies will be accepted after 4:00 p.m. on June 23, 2011.** Prior to an individual securing a position in the walk-in processing line, that individual must have all of the application materials required for the submission for each of their applications. Holding a place in line while waiting for materials needed to complete or organize applications will not be allowed.

**Mailed or courier packages must be received by DCA on or before 4:00 p.m. June 23, 2011.** DCA shall not be responsible for any delivery failure on the part of the Applicant. If an Applicant chooses to use a postal or courier service to deliver the Application Package to DCA and such service fails to deliver the package by the deadline, then the Application Package will be deemed by DCA as untimely and, consequently, will not be reviewed for project awards.

**4% Tax Credit Applications for Bond Financed Projects can be submitted throughout the year, subsequent to Bond Allocation, but no later than seventy-five (75) days prior to bond closing date.**

### **APPLICATION PACKAGE ASSEMBLY INSTRUCTIONS**

For each proposed project, the applicant must ensure execution of all necessary forms and supporting documentation, and place them in the appropriate order according to the 2011 Application Tabs Checklist. The applicant must deliver:

1. **Three (3) full application packages** (with original photographs in each) containing all (fully completed and executed) necessary forms and supporting documentation placed and secured in the binder in the appropriate order determined by the 2011 Application Tabs Checklist. The three (3) packages must be separated as:

- **One (1) bound and tabbed Original placed in a 3-ring binder**, labeled according to Labeling Instructions (see next section),
- **One (1) bound and tabbed Copy 1, identical to the Original, placed in a 3-ring binder identical to the Original**, labeled according to Labeling Instructions (see next section), and
- **One (1) rubber-banded Copy 2 identical to the original, tabbed, on non-hole-punched paper** (copier-friendly to accommodate Open Records requests), placed in a 9"W x 4"H x 14¼"D banker's box (two if needed, get at local office-supply store) end-labeled according to Labeling Instructions (see next section).

2. One working, VIRUS-FREE CD-R in a protective hard plastic jewel case (both supplied by applicant) containing the items below:

- The completed DCA-protected electronic OAH 2011-100 Core Application Form from which the applicant has printed out the OAH 2011-100 Core Application Form paper copies submitted to DCA. Please name the electronic core application form contained in the CD by using the format "**2011-xxx <<Your Project Name >> Core**".
- The completed DCA-protected OAH 2011 Performance Workbooks, one for each team member. Please name the electronic performance workbooks submitted in the CD by using the format "**2011-xxx <<Your Project Name >> PW for <<Your Team Member Name>>**". Please create an electronic folder on the DVD, title it "Performance Workbooks" and save all performance workbooks for your project in this folder.

Label the CD protective jewel case with a standard label (cut to fit on front of the case and parallel with the spine of the case – no overlap on edge – see next page) containing the typed-in project name and the person's name with email address to contact in case of CD failure. Leave 2" above the label for a DCA Project Number label that will be added later by DCA. **PLEASE DO NOT ATTACH AN ADHESIVE LABEL TO THE CD ITSELF.** Rather, write the requested information **legibly** on the printed side of the CD itself with a felt-tip pen. Refer to labeling illustrations. **Double-check the CD to verify that it contains the properly named virus-free application files.**

3. One working, VIRUS-FREE CD-R in a protective hard plastic jewel case (both supplied by applicant) containing an electronic copy of the Market Study (as provided in hard copy in the Application binder) in an open PDF format is required to be submitted with all applications. Name the file as "**2011-xxx <<Your Project Name >> Mkt Study**".

Label the CD protective jewel case in the same way as the CD in Item 2 above. Refer to labeling illustrations. **Double-check the CD to verify that it contains the properly named virus-free application files.**

4. One electronic copy of the Phase I Environmental Study and the Phase II Environmental Study (if applicable) on a flash drive/thumb drive. The flash drive should be in a protective envelope clearly marked with the project name and contact information, then inserted into the front inside pocket of the Original copy of the application binder.

5. Completed "**Walk-In Submission Form and Application Fee Calculation Worksheet**" (one form) located at the very end of this document. Attach a certified funds check or money order for the correct fees made out to "**Georgia Housing and Finance Authority**".

**APPLICATION BINDER LABELING INSTRUCTIONS**

Label Specifications. The following label specifications are heavily recommended and preferred by DCA.

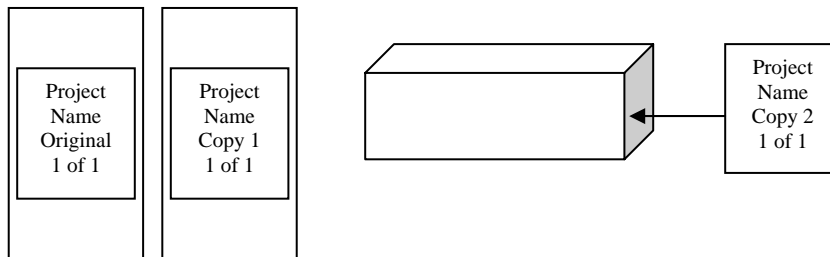
- Printed from: Computer printer (Avery labels typically come with instructions for use on computers)
- Label size: 2” x 4” Shipping labels, for example either Avery Laser #5163 or Avery Inkjet #8163. Cut off unused label space to enable placement perpendicular to binder spine.
- Font: Arial, bold-face, 20-point
- Number of labels: Between 3 and 12 in most cases, depending on size of application – see Label text.
- Label text: The “1 of”, “2 of”, and “3 of” parts will vary depending on the application size. In place of the lines shown below, the applicant will substitute the total number of pieces in the Original.

<<Project Name>> Original 1 of ____	<<Project Name>> Copy 1 1 of ____	<<Project Name>> Copy 2 1 of ____
<<Project Name>> Original 2 of ____	<<Project Name>> Copy 1 2 of ____	<<Project Name>> Copy 2 1 of ____
<<Project Name>> Original 3 of ____	<<Project Name>> Copy 1 3 of ____	<<Project Name>> Copy 2 1 of ____

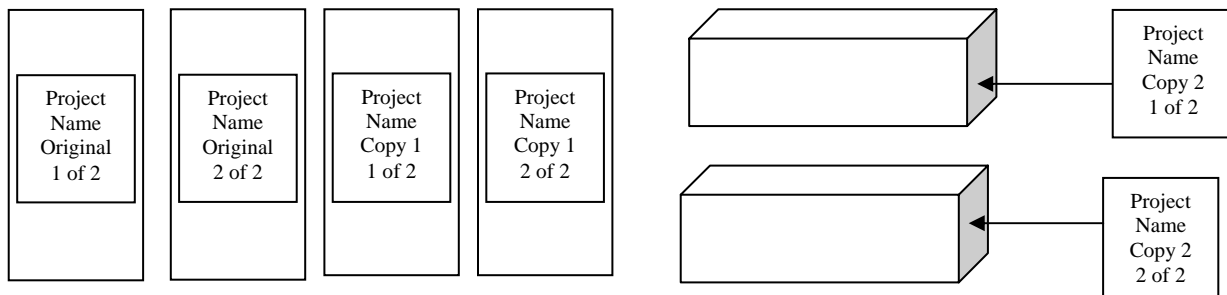
Label Affixing:

Affix labels in the middle of the spine of the binders such that the text, when read, is perpendicular to the edge of the spine. Leave at least the top four inches (4”) of the spine visible. See the sample illustration below. Put Copy 2 label on end of box. Label all binders and banker boxes **before** arriving at DCA.

**Labeling for 1-binder Original and Copies:**



**Labeling for 2-binder Original and Copies:**





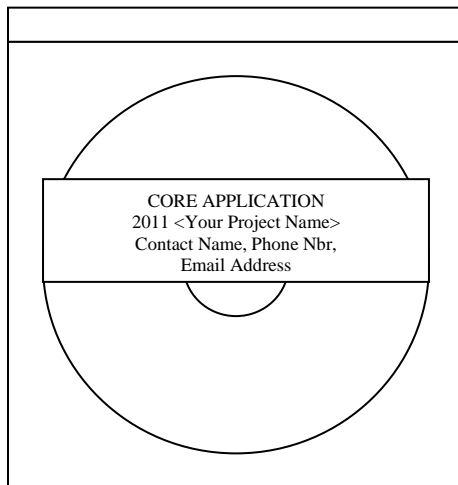
**CD LABELING INSTRUCTIONS**

- |   |   |
|---|---|
| <p>1. <b>Affix Label</b> on the CD <u>case</u> as:<br/><br/>         (Leave 1.5” at top near spine)</p> | <p>&lt;Core Application or Market Study – see below&gt;,<br/>         2011 &lt;Your Project Name&gt;.xlsx<br/>         Contact Name, Phone Nbr, Email</p> |
| <p>2. <b>Write</b> legibly in felt tip on CD:</p>   | <p>&lt;Core Application or Market Study – see below&gt;,<br/>         2011 &lt;Your Project Name&gt;<br/>         Contact Name, Phone Nbr, Email</p>      |
| <p>3. <b>Name the electronic files</b> contained w/in the Core Application CD as:</p>                   | <p>2011-000 &lt;Your Project Name&gt; Core.xlsx,<br/>         2011-000 &lt;Your Project Name&gt; PW for &lt;Team Member Name&gt;.xls</p>                  |
| <p>3. <b>Name the electronic file</b> contained w/in the Market Study CD as:</p>                        | <p>2011-000 &lt;Your Project Name&gt; Core.xlsx,</p>  |

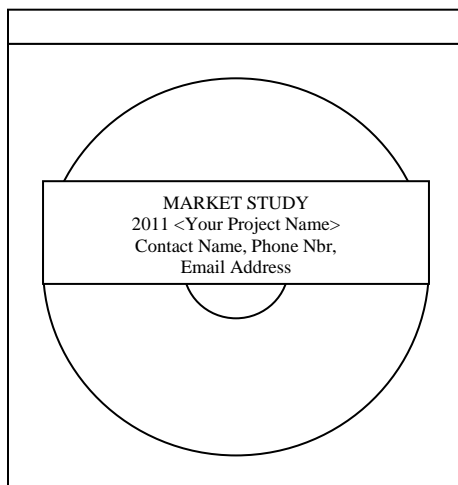
**CD Case Labeling**

**CD Labeling**

**CD for  
 Core Application  
 and Performance  
 Workbooks**



**CD for  
 Market Study**



**SPECIAL INSTRUCTIONS FOR COMPLETING ELECTRONIC CORE APPLICATION**

**All applicants are required to use the DCA-protected electronic OAH 2011-100 Core Application Form provided by DCA at** (<http://www.dca.ga.gov/housing/HousingDevelopment/programs/QAP2011docs.asp>). To download, right-click on the link at the DCA web site, select Save Target As and choose the storage location on your computer. If during download a message box appears requiring a password, keep clicking “OK”. Otherwise, download on a computer with Excel 2007 or later version. Applicants with computers running later versions of Excel will need to first save the file as an Excel 2007 version after entering their data and before submitting it to DCA. If prompted by the computer to upgrade the file to a newer version of Excel, choose “NO”. Applicants should email [webmaster@dca.ga.gov](mailto:webmaster@dca.ga.gov) if download problems are encountered.

Please do not transfer tabs from one core app file to another, even if it is for the same application. If you plan to submit more than one application, please make additional electronic copies of the OAH 2011-100 Core Application Form file **after** completing portions that *are* common to all of your applications and **before** completing any portions that are *not* common to all of your applications. This copying process must occur while the electronic file is unopened. In other words, right-click on the closed file in the folder where you have stored it on your computer, select Copy, right click in a white space of the destination folder and select Paste.

DCA recommends that users close all other applications, files, and windows before and during use so as to improve performance. It may take several moments to open or to save. The electronic OAH 2011-100 Core Application Form is best viewed on a PC-compatible computer using Microsoft Windows XP and Microsoft Office 2007 or later version, equipped with at least 2 GB of RAM and at least a 2 GHz processor. The electronic OAH 2011-100 Core Application Form is created in a Microsoft Excel 2007 spreadsheet workbook.

**Please note that you should fill in all applicable boxes, and there are several places requiring original signatures. Please read directions that follow.**

**Please do not enter information using all upper case or all lower-case letters. Sentence case or title case is preferred.**

1. There are fifteen electronic tabs in the Excel workbook that represent separate spreadsheets for applicant use. Applicants are encouraged to print out a blank version of each tab below beforehand to be aware of all contents:

Tabs Checklist  
Project Narrative

I:	Project Information	VI:	Revenue & Expenses
II:	Development Team	VII:	Pro Forma
III-A:	Sources of Funds	VIII:	Threshold Criteria
III-B:	USDA 538 Loan	IX-A:	Scoring Criteria
III-C:	HUD Insured Loan	IX-B:	Superior Project Concept Narrative
IV:	Uses of Funds	X:	Applicant Certification Letter
V:	Utility Allowances		

After opening the workbook, simply click the mouse pointer on the appropriate tab at the bottom of the screen to navigate to the desired form. The small black directional arrows in the bottom left corner will also assist you in navigating the workbook.

2. Fill in only the areas shaded in Blue or Green. Green shaded cells automatically calculate information provided by the applicant but are unlocked. All questions (generally denoted by black or blue font in the electronic application) are intended to elicit a response, so please do not leave out any requested information. Yellow- or white-shaded cells are not for applicant use and have been locked. Applicants may initially enter a formula or reference into a cell to determine a correct amount, but **do NOT leave formulas or references to other cells in cells requesting numerical**

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**values. If references are made to external spreadsheets, those references must also be removed prior to submission to DCA. As this may hamper the proper functioning of internal evaluation tools and make pertinent information unavailable to DCA, failure to do this may result in automatic removal of the application from consideration for funding.** Test final spreadsheet before submission by reviewing it alone on a separate non-networked computer from the one used for data entry. Remove any Shared workbook settings enabled for group use.

3. DATA ENTRY RULES: When entering **text** data, please do not use all upper-case letters or all lower-case letters. When entering phone, fax, beeper, and cellular numbers or zip codes, enter **numbers** only with no blank spaces, parenthesis or hyphens – these cells are pre-formatted. Phone, fax, beeper, and cellular numbers will require area codes. Zip codes will require 4-digit extensions (enter 4 zeroes at end if needed). Applicants must complete **all** boxes that apply to their project – if a box does not apply, then leave it empty (do not enter zero, “n/a”, nor a space “ ”). Do NOT enter zeros or blank spaces in any cell in order to cause the spreadsheet to function in a certain way, or for any arbitrary reason. Leave all number cells completely empty unless a number greater than zero is entered to indicate actual pertinent data.
4. If a particular cell’s text appears to be cut off, simply highlight the cell and the entire text will appear in the text box directly above the document body. If the text font is too small or appears shoved together, simply adjust the zoom percentage in the Standard toolbar near the upper right corner. Selecting Print Preview will show how the text will look when printed out.
5. This electronic application has been designed so that some information, such as the project name and address, need only be entered once. In order to take advantage of this feature, the user must enter information in the order in which it is requested. An exception to this is the completion of the Rent Chart in the “Revenues and Expenses” tab, which feeds back into the “Project Information” tab.
6. Unless otherwise noted, enter all comments/recommendations in spaces provided in the electronic application.
7. In order to maintain the integrity of the electronic application, many cells are locked and inaccessible by the applicant. Any attempt to access or tamper with the formulas in those cells or to otherwise “fool” the system or its intent will be cause for **automatic rejection of the application**. This includes entering zeros or blank spaces in green-shaded cells intended for actual data. Leave all number cells completely empty unless a number greater than zero is entered to indicate actual pertinent data.

**Any attempt to replicate the form in such a manner so as to remove the DCA-protection feature and then submit the unprotected (or re-protected) replicated version for consideration will be cause for automatic rejection of the application.**

8. Print margins may shift in viewing and printing due to different printers and printer drivers. In these cases, applicants are requested not to adjust margins except just prior to printing. Margin adjustments must not be saved and should be returned to the preset positions before submitting to DCA. To do this, save the document BEFORE making margin changes, then make margin changes, then print, then either click the “Undo” button at the top of the open file or else close the file without saving, and then re-open the file if needed. DCA has pre-set the margins to work on DCA printers.
9. **If you have any questions on using or difficulties with the electronic version of the application or these instructions**, contact Stephen Barrett via email at [Stephen.Barrett@dca.ga.gov](mailto:Stephen.Barrett@dca.ga.gov). Include the following:
  - A virus-free **compressed** (e.g., right-click on closed file, select “Add to <<filename>>.zip”) copy of the electronic OAH 2011-100 Core Application Form workbook you are working in as an attachment. Please perform a virus scan on the file prior to sending (right-click on the unopened file and select **Scan for Viruses** after you have updated your anti-virus files from the manufacturer’s web site – e.g. Norton or McAfee).
  - Electronic Core Application Tab Name and cell reference (column letter, row number), if applicable
  - Detailed description of the nature of your problem
  - Your computer’s basic specs: processor speed, MB of RAM, operating system, Excel version

<b>2011 APPLICATION TABS CHECKLIST</b>
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Included in the electronic 2011-100 Application Excel workbook, the 2011 Application Tabs Checklist lists each tab number, a check box, the content of each tab, and the required order of the tab contents. All applicants should review the Application Tabs Checklist before completing the OAH 2011-100 Core Application Form. **The completed Application Tabs Checklist must be printed out and placed in front of Tab 1 in the application binder.**

Several items on the OAH 2011-100 Core Application Form will require the attachment of additional pages. Please note that there are items required by the Application Tabs Checklist that are not mentioned in either the OAH 2011-100 Core Application Form or in these Instructions. Follow the directions for each item, label the item accordingly, and insert it into the Application Package Binder in the appropriate tab as indicated by the Application Tabs Checklist. Check the appropriate box for each document included. Also included in the electronic 2011-100 Core Application (Excel workbook), is the Applicant Certification tab. **An original signed Applicant Certification should be included with the Original and Copy of the application binder.**

## OAH 2011-100 CORE APPLICATION FORM INSTRUCTIONS

### PROJECT NARRATIVE

**Project Narrative** – Include where indicated by the Tabs Checklist a brief narrative explaining the project concept. Identify the needs of the tenant population and specifically address how the project will meet the needs of the tenant population. Any information which will help DCA understand the project concept, the market viability, the qualifications for a set-aside (if applicable) and any unique features should be included in the Narrative. **A form is included in a tab in the electronic core application for your use.**

### PART ONE—PROJECT INFORMATION

**Applicants must enter all clarifications and/or comments pertaining to this Part into the Applicant Comments and Clarifications boxes at the bottom of this section in the electronic application.**

**Please do not enter information using all upper case or all lower-case letters. Sentence case or title case is preferred.**

Blue cells are unlocked for your use and do not contain references/formulas. Green cells are unlocked for your use and do contain references/formulas that can be overwritten. Sentence case or Title case is preferred.

#### I. REQUESTED RESOURCES

The LIHTC request will auto-feed from the Uses of Funds tab. The DCA HOME amount will auto-feed from the Sources of Funds tab and must match the amount that you received in the DCA HOME Award Letter. Please refer to the Maximum LIHTC and HOME amounts allowable under the QAP.

For additional credit applications, the LIHTC Amount should be only the additional credit amount. Credits previously allocated are listed elsewhere.

#### II. TYPE OF APPLICATION

Indicate the type of application: Competitive Round, Tax Exempt Bond / 4% credit, or Other. If you select Other, then also include description in the Other box provided.

#### III. APPLICANT CONTACT INFORMATION

Include the name, address, city, state, zip, title, email, phone number, fax and cell phone number of the contact person. The person listed here will be the primary contact with which DCA corresponds during the application review process. Due to short time frames, it is important that the contact information be accurate, and that the person named be available to respond to DCA in a timely manner.

#### IV. PROJECT LOCATION

**Project Name** — Enter the name of the proposed project. Do NOT use all upper case or all lower-case letters.

**Phased Project** — Enter whether the application is for a project that is part of a phased development per the 2011 QAP definition “Phased Development”. Choose from: “Yes – no Master Plan”, “Yes – w/ Master Plan”, or “No”.

**Scattered Site** — Enter whether the application is for a scattered site project.

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**Site Street Address** — Enter the street address, city, **nine (9)**-digit ZIP code (MUST be verified by the applicant at <http://www.usps.com/zip4/welcome.htm?from=global&page=2132findzip>), and county (automatically completed) of the proposed site/parcel. Regardless of whether the project is located in any city's limits, be sure to include the correct city that will be used in the *postal* address. Do NOT use all upper case or all lower-case letters. Do not indicate "Unincorporated" for city on the project address. Should the correct county name not appear in the County box, simply type in the correct county name.

**Acreage** — Enter the area of the site in acres. This should be accurate and correspond to the site control documents.

**Within City Limits** — Indicate whether the project is located inside the city limits.

**Rural** — Indicate whether the project meets the DCA definition of Rural. A list of rural counties is contained in the 2011 Appendix II Scoring, Exhibit B. However, for purposes of determining applicable income and rent restrictions, applicants must use the U. S. Dept of Housing and Urban Development FY 2011 Income Limits Area Definitions and Fair Market Rent tables.

**MSA Name**—Indicate the MSA name, if applicable, as designated by HUD. These lists can be accessed on the HUD website at <http://www.huduser.org/datasets/pdrdatas.html>.

**Census Tract Number**—Enter the census tract number in which the proposed site/parcel is located. The census tract number and information are available from the local planning authorities.

**QCT (Qualified Census Tract) or DDA (Difficult Development Area)**—Note whether the proposed site/parcel is located in a qualified census tract or difficult development area. The census tract number and information are available from the local planning authorities. If you are seeking the 30% increase in eligible basis for tax credit projects, insert documentation evidencing site/parcel is in QCT or DDA stating the census tract and the property address in the application binder where indicated by the Tabs Checklist. The QCT/DDA lists can be accessed on the HUD website at [www.huduser.org/datasets](http://www.huduser.org/datasets).

**Legislative Districts** — Identify the applicable districts in which the parcel lies for the U.S. House of Representatives, the Georgia State Senate, and the Georgia State House of Representatives. For United States Congressional Districts, the applicant MUST verify the correct district at <http://www.govtrack.us/congress/findyourreps.xpd>. If the property lies on a "line," i.e., in more than one district, indicate the other district in the second (bottom) space provided. Enter only a number with no letters (e.g., 8, not 8<sup>th</sup>).

**Local Political Jurisdiction Information**—Provide the following information. Do **not** use all upper case or all lower-case letters. When entering phone, fax, or zip codes, enter numbers only with no blank spaces, parenthesis or hyphens. Phone and fax numbers will require area codes. Zip codes will require 4-digit extensions (enter 4 zeroes at end if not applicable).

**Name of Political Jurisdiction** (city if within city limits; county if outside of city limits),

**Jurisdiction's web site address** (if one exists), and

**Name of the Chief Executive Official** (elected official—e.g., mayor, county commission chairman, etc.), and that person's title, address, city, county, zip code, telephone number, and fax number

## V. PROJECT DESCRIPTION

**A. Mixed Use** – Indicate whether project is a mixed-use development (ex. residential and commercial or public space). For a mixed-use development, please include in the application binder where indicated by the Tabs Checklist the:

- Development Budget for commercial component
- Sources of Funds for commercial component
- Annual Income Statement for commercial component
- Annual Expense Statement for commercial component
- 15-year Operating Proforma for commercial component
- Evidence of Preliminary Financing for commercial component
- Leases and/or letters of intent from prospective lessees

**B. Type of Construction** – these boxes are locked and will be filled in based on applicant entries in the rent chart

**C. Unit Breakdown** – these boxes are locked and will be filled in based on applicant entries in the rent chart

**D. Unit Area** – these boxes are locked and will be filled in based on applicant entries in the rent chart

**E. Buildings** - Enter the number of residential (not considered common space) and non-residential buildings proposed. Also enter the total common area square footage from nonresidential areas (ex. Interior enclosed hallways and leasing office space).

**F. Total Residential Parking Spaces** – indicate number of parking spaces to be available as residential parking spaces.

## VI. TENANCY CHARACTERISTICS

**A. Family or Senior** - Indicate the applicable population from the choices provided: Family, Senior (Elderly), Senior (HFOP), or Other. If you are using a program that utilizes a different approved definition of Senior, then select “Other” and list the program in the box provided. The definition according to the “Other” program should be detailed in both the Comments and in the Narrative.

**B. Mobility Impaired** – indicate the number of units equipped for mobility impaired tenants.

**C. Sight/Hearing Impaired** - indicate the number of units equipped for sight/hearing impaired tenants.

**D. Special Needs** - indicate the number of units reserved for special needs tenants

## VII. RENT AND INCOME ELECTIONS

**A. Tax Credit Election** — Indicate the desired set-aside election (20/50 or 40/60). Note: this election must be made if you are applying for any low-income housing tax credits. Please be advised that all HOME applications seeking Low Income Housing Tax Credits must choose a Tax Credit minimum set-aside in addition to their HOME Set-Aside Election below.

**B. DCA HOME Only Projects Minimum Set-Aside Requirement (Rent and Income)**—Projects (with 5 or more units) funded with DCA HOME must set aside at least twenty (20) percent of the HOME assisted units that must be occupied by very low-income families and meet one of the following rent requirements, whichever is lower:

- 50% of AMI, or
- The HUD Fair Market Rent for the area.

The balance of low income units must have rents set at or below 60% of AMI or the HUD Fair Market Rent, whichever is lower.

## VIII. SET ASIDES

Indicate any competitive round set-asides applicable to the project (choose from eligible set-asides listed)

**Supplemental Set-Aside** – Noncompetitive, must be designated by DCA Asset Management as eligible for application to this set aside

## IX. TAX EXEMPT BOND FINANCED PROJECTS

**Tax Exempt Bond Financed Project** — Enter the name of the bond issuer and contact information, inducement date, and the Applicable Qualified Allocation Plan (QAP). The applicable QAP is the one in effect at the time of the Application submission unless a pre-approval from DCA was received stating otherwise.

## X. AWARD LIMITATIONS FOR CURRENT DCA COMPETITIVE ROUND

This section has been added to assist DCA in ensuring that award limitations in the competitive round are met. Applicants are encouraged to review the applicable QAP for assistance in completing this section. Applicants should provide all information that DCA will need to ensure that each individual and/or entity has not received a combined allocation in excess of \$1,700,000 of Federal Tax Credits or been awarded more than four (4) projects in the current competitive round. For purposes of calculating this cap, applicants submitting Additional Credit applications should list only the amount requested in the 2011 competitive round.

## XI. PRESERVATION

**A. Subsequent Allocation** - If you are applying for tax credits for an existing tax credit project that was placed in service prior to 2011, please indicate as such and provide the GRFA/GHFA/DCA project number previously assigned to that project from the earlier Allocation, the first year of the credit period, the first and last building identification numbers in the project, whether the project is an expiring LIHTC property, and the date that all buildings will complete the 15-year compliance period.

**B. Expiring Section 8** – indicate whether the project is an expiring Section 8 project.

**C. Expiring HUD or USDA** – indicate whether the project is an affordable non-public housing project funded by HUD or funded by USDA.

## XII. ADDITIONAL PROJECT INFORMATION

**A. PHA units**—State whether the proposed project is part of a local public-housing replacement program. Indicate the Number of units reserved, number of units rented to public housing tenants, and percent of PHA units to total residential units. Also indicate the number of units reserved and rented to PHA tenants with PBRA or households on waiting list.

**Name of Local Public Housing Authority**—Enter the name of the local PHA. Do NOT use all upper case or all lower-case letters.

**Contact Name**—Enter the name of the individual who will serve as the primary contact with the applicant. Do NOT use all upper case or all lower-case letters.

**Office Street Address**—Enter the street address (not a P. O. Box), city, state, and ZIP code for the ownership entity or the individual or organization serving on its behalf in dealings with DCA. Do NOT use all upper case or all lower-case letters.



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**Contact Email Address**—Enter the electronic mail address of the individual who will serve as the primary contact with the applicant. Do NOT use all upper case or all lower-case letters.

**Phone Numbers**—Enter the main office telephone number, extension (if applicable), facsimile number, direct number, and cellular phone number. When entering phone, fax, and cellular numbers or zip codes, enter numbers only with no blank spaces, parenthesis or hyphens – these cells are pre-formatted. Phone, fax, and cellular numbers will require area codes.

**B. Extension of Cancellation Option Period**—For current 9% tax credit applications enter the numbers of years the cancellations was originally agreed to and the expiration year. For New projects, enter the number of years the Owner agrees to forgo the Cancellation Option beyond the 15-year credit compliance period.

**C. Tenant Ownership Plan**—Indicate whether there is a tenant ownership plan in place.

**D. Current Occupancy**—If the proposed project involves rehabilitation and has existing tenants, state whether the project is currently occupied. Identify both the total number of *existing* units, the total number of *occupied* units and the *percentage* of units occupied. Please also see the “Relocation and Displacement of Tenants” policy in the 2011 Plan, as well as the Relocation and Displacement Manual.

**E. Waivers / Pre-Approvals**---Note (indicate with a “Yes”) which of the waivers or approvals listed apply to this project. If you have requested and been granted a waiver from DCA, insert a copy of DCA’s waiver approval in the application binder where indicated by the Tabs Checklist.

• **Operating Cost Waiver Approved**—If you have requested and been granted an Operating Cost waiver from DCA, enter the new Operating Cost Limit into the box provided.

**F. Projected Place-In-Service Date** – Indicate projected place-in-service date for project.

### XIII. APPLICANT COMMENTS & CLARIFICATIONS

Include all clarifications or comments pertaining to this Part in this section.

**PART TWO—DEVELOPMENT TEAM INFORMATION**

It is the strict policy of the Georgia Department of Community Affairs that all applicants will be held to all representations made in the OAH 2011-100 Core Application Form and all supporting documentation, whether the representations apply to specific competitive selection criteria or not, for the duration of the greater of the Credit Compliance Period or term of the HOME loan if applicable. Please refer the 2011 QAP for definitions and details regarding Development team requirements for experience and capacity.

**SPECIAL NOTE:** If the proposed project is awarded funding by the Georgia Department of Community Affairs (DCA), the project must proceed with the team members as presented in this OAH 2011-100 Core Application Form unless written approval is obtained in advance from DCA.

**INSTRUCTIONS FOR EACH PARTNER AND/OR TEAM MEMBER INFORMATION SECTION:**

**Please do not enter information using all upper case or all lower case letters. Sentence case or title case is preferred.**

Enter for the individual (or organization, if applicable) serving on its behalf in dealings with DCA the:

- **Name** of the proposed partner/team member entity. If the partner/team member is a business entity, be sure that the name includes the type of business entity (“Inc.,” “LP,” “LLC,” etc.).
- **Street address** (no Post Office boxes)
- **City**
- **State**
- **ZIP Code** - enter nine (9) digit code only with no blank spaces, parenthesis or hyphens (cell is pre-formatted). This MUST be verified for the Ownership Entity and the Managing General Partner by the applicant at <http://www.usps.com/zip4/welcome.htm?from=global&page=2132findzip>
- **Name of Principal**
- **Title of Principal**
- **Email Address**

For each of the following, enter numbers only with no blank spaces, parenthesis, decimals or hyphens (the cells are pre-formatted). Include area codes.

- **Phone Number** (for Main Office), **extension** (if applicable)
- **Fax Number**
- **Direct line Phone Number** (if no extension)
- **Cellular Phone Number**

**ADDITIONAL INSTRUCTIONS FOR SPECIFIC PARTNER AND/OR TEAM MEMBER INFORMATION SECTIONS:**

**I. OWNERSHIP INFORMATION**

**A. OWNERSHIP ENTITY**—Both the experience of the principle staff person responsible for the project underwriting, loan closing and construction oversight as well as the organizational experience must be documented, and both the staff person’s and organization’s experience will be assessed. Please see the “Qualifications for Project Participants policy in the 2011 Plan.

**Federal Tax ID** - Enter the federal tax identification number for the ownership entity, if available

## B. PROPOSED PARTNERSHIP INFORMATION

If **more than one entity** comprises any of the partners, provide all requested information for all the entities and / or principals making up that partner entity in the Organizational Chart in the application binder where indicated by the Tabs Checklist.

## II. DEVELOPER(S) (Note: refer to the Compliance Summary section at the end of the Instructions).

Enter the name of the individual(s) or business entity(-ies) serving as the Developer(s) if this individual(s) or entity(-ies) is **not** serving as a general partner. **Complete this section for “Development Consultant” if you have insufficient ownership entity and/or experience, or if applicable.**

## III. OTHER PROJECT TEAM MEMBERS

**SPECIAL NOTE:** If the proposed project is awarded funding by the Georgia Department of Community Affairs (DCA), the project must proceed with the team members as presented in this OAH 2011-100 Core Application Form unless written approval is obtained in advance from DCA.

**Ownership Consultant** —If an inexperienced Owner who has engaged an experienced Ownership Consultant wants to benefit (through compliance points) from the Ownership Consultant’s compliance history, then the Ownership Consultant (both entity and principal) must submit the completed Compliance Performance Workbook to have the Consultant’s factor averaged with their factor.

## IV. OTHER REQUIRED INFORMATION

Answer the following 7 questions for each participant in the spaces provided. **If any participant answers “Yes” to any of the Questions 1 through 5, please insert an explanation providing dates and details of each circumstance on a separate page in the application binder where indicated by the Tabs Checklist and in the Applicant Comments and Clarifications section.:**

1. Has this entity withdrawn or been involuntarily removed from a HOME or LIHTC project in the last 36 months?
2. Is this entity a Minority Business Enterprise or a Woman Business Enterprise?
3. Has any person, principal, or agent for the participant ever been convicted of a felony?
4. Does this entity have an identity of interest with any other entity included on the chart?
5. Does this entity have an identity of interest with any member, officer or employee of DCA?
6. Has this entity ever been debarred or suspended from any local, state or federal housing program?
7. Indicate the participant’s applicable organization type (For-Profit, Non-Profit, or CHDO). A non-profit must materially participate in the development and operation of the project throughout the compliance period. Within the meaning of IRC Section 469(h),"a (non-profit) shall be treated as materially participating in an activity only if the (non-profit) is involved on a basis that is regular, continuous, and substantial."
8. Indicate the participant’s ownership interest (percentage) in the project.

## V. APPLICANT COMMENTS & CLARIFICATIONS

Include all clarifications or comments pertaining to this Part in this section.

**PART THREE A - SOURCES**

**I. GOVERNMENT FUNDING SOURCES**

**Government Funding Sources** — Check **all** applicable government funding sources (DCA and non-DCA) in the project and/or identify any “other” source not listed. If NSP is selected, also provide NSP amount.

**II. CONSTRUCTION FINANCING SOURCES**

For each construction-financing source, enter the entity providing the financing, the principal amount, annual interest rate, and term in months. This information should mirror that provided in the Commitment from that source. Categorize each source under private loans, federal loans or grants, state, local or private loans or grants, deferred developer fees, and Section 42 Credits (equity investment pay-ins during construction-, Historic Rehabilitation tax credit proceeds paid-in during construction, and acquisition and construction grants. All amounts and terms displayed must be identical to those on supporting documentation.

**III. PERMANENT FINANCING SOURCES**

Categorize each source under private loans, deferred developer fees, Federal loans or grants, State, Local or Private Loans or Grants, Federal and state housing credit equity (equity investment raised by syndication of the tax credits) or other sources.

***Required Information***

**Name of Financing Entity** - e.g. lender name, PHA name, local jurisdiction name, etc. – also include the funding program used, if applicable. Be specific – do not be overly concerned about cell width limiting your entry. ALL applicants must make a selection from the drop-down list provided in the first line.

The first line provided is reserved for USDA 538 loans and HUD Insured loans. Make the appropriate selection in the drop-down list provided. IF NEITHER USDA 538 NOR HUD INSURED LOANS ARE INVOLVED, THEN CHOOSE “NEITHER”. Provide the remaining information for this source using the corresponding tab (either “Part III B-USDA 538 Loan” or “Part III C-HUD Insured Loan”) at the bottom of the Excel screen. Those entries will then feed back into this chart and the resulting fees and debt service will feed to the proforma. If neither funding source is involved, then select the “Neither” option from the drop-down list provided and use the next line to provide the requested information for what will be treated as mortgage A, the following line for mortgage B, etc.

**Principal Loan Amount, Interest Rate, Term in Years, Amortization Period in Years, Annual Debt Service** -- required for ALL loans with amortizing debt, whether fully-amortizing or not, including developer notes and deferred developer fees (even if the interest rate is 0%, do not leave DDF interest rate cell blank). The annual debt service will be automatically calculated based on the information inputted by the Applicant. However, the automatic calculation can be modified, if necessary.

For variable interest rate loans, the higher of the initial interest rate or the maximum rate should be entered.

DCA requires all permanent debt financing to have a minimum term of ten (10) years. DCA allows for Deferred Developer Notes to have terms of up to 15 years.

**Loan Type** - The drop down list contains the following choices: amortizing, DCA HOME IPS (irregular payment stream), cash flow or adjusted interest.) *DCA HOME Loans are not cash flow loans, they can either be fully amortizing or irregular payment stream (IPS) based upon a defined portion of projected cash flow.* DCA HOME Rural loans can have variable interest rates based on DCA policy, both generally resulting in balloon payments at the date of maturity. Please review QAP Policies for all DCA HOME loans.

**Target (Desired) Debt Coverage Ratio** -- applicant MUST enter **only** if the Loan Type is either “DCA HOME IPS” or “Cash Flow” (for cash flow notes). Target DCR entered should be for the corresponding funding source only. **The minimum blended DCR for all Secured Debt is 1.20 for New Construction and 1.25 for projects involving rehabilitation.** No financing source’s Desired DCR should be higher than a source with a higher lien position.

**Total Permanent Financing** - The application should automatically total all of the principal amounts listed in the schedule.

**Total Costs from Development Budget** - The total costs from the development budget are linked to this cell.

**Surplus/Shortage of Permanent Funds to Development Costs** – include an explanation of the surplus or shortage in the comment section for this tab as well as the Threshold Criteria tab, Project Feasibility section

**Deferred Developer fees** - Deferred developer fees will be considered a source of debt financing, but will not be considered in the Gap Method of the credit calculation. Include the first year’s payment in the debt service column. A developer can document a deferred developer fee by signing a deferred developer fee note, by incorporating the deferred developer fee into the Limited Partnership Agreement or by a schedule that details the terms and conditions of repayment. DCA will accept either approach as long as the terms of the deferred fee meet the requirements set forth in the Plan. DCA will not dictate the interest rate charged on the deferred developer fee note. The percentage of DDF to overall Developer Fee is calculated in the box provided, and cannot exceed 50% at initial application. Any Deferred Developer Fee must be repaid within 15 years to be considered in Eligible Basis.

**Back up documentation** - Insert all government financing, equity investment, and financing commitment letters and documentation in the application binder where indicated by the Application Tabs Checklist. DCA must be able to ascertain all of the terms and conditions of construction and permanent financing in these documents and compare those terms and conditions to what is inputted into sources and uses of funds section.

If any portion of the financing sources for the project is being financed *directly* or *indirectly* with federal, state, or local government funds, ensure that the documentation explains it fully. If it is not clearly explained on the preliminary financing commitment(s), insert additional page(s) explaining the governmental involvement in the financing in the application binder in both the Preliminary Financing Commitments Tab and the Government Financial Assistance Tab. It is important to determine whether the initial source of funds is federal.

**Proposed DCA HOME loan interest rate per Operating Year for Projects located in Rural Areas** – DCA HOME Rural loans can have variable interest rates based on DCA policy. Please review QAP Policies for all DCA HOME loans. Enter the applicable rate per year. The debt service for subsequent years when interest rates change must be adjusted by the applicant in the debt service in the pro forma. DCA reserves the right to adjust this rate at its sole and absolute discretion.

#### IV. APPLICANT COMMENTS & CLARIFICATIONS

Include all clarifications or comments pertaining to this Part in this section.

**PART THREE B - USDA 538 LOAN**

**Loan Amount** – Enter the principal loan amount shown on the supporting documentation from lender. Since USDA limits the size of loans eligible for interest credit to \$1,500,000, DCA reserves the right to manually adjust the interest credit for loans in excess of \$1,500,000.

**Effective Rate** – Enter the Effective Interest Assistance Rate in USDA Handbook. Refer to the USDA Guaranteed Rural Rental Housing Program Origination and Servicing Handbook, Chapter 4: Loan Guarantee Application Processing, Section 4.10

**Loan Term** – Enter the loan term shown on the supporting documentation from lender.

**Amortization Period** – Enter the amortization period shown on the supporting documentation from lender.

**PART THREE C - HUD INSURED LOAN**

For more information on data input for HUD insured loans, please consult with your HUD lender.

**Loan Amount** – Enter the principal loan amount shown on the supporting documentation from lender.

**Investor Rate** – Enter the Investor Rate shown on the supporting documentation from lender.

**Servicing Fee** – Enter the Servicing Fee shown on the supporting documentation from lender.

**GNMA Guaranty Fee** – Enter the GNMA Guaranty Fee shown on the supporting documentation from lender.

**HUD Mortgage Insurance Premium** – Enter the loan term shown on the supporting documentation from lender.

**Amortization Period** – Enter the amortization period shown on the supporting documentation from lender.

**PART FOUR—USES OF FUNDS**

**I. DEVELOPMENT BUDGET**

Identify development costs in the categories provided, and calculate the proposed total development cost. If requesting tax credits, indicate the level of eligible basis (4%/Acquisition Credit or 9%/New Construction/Rehabilitation Credit) to which applicable project costs are appropriate. If you encounter a development cost for the proposed project that is not addressed by the development budget AND does not fall into a budget section containing an “Other” line, then your electronic application form may perhaps be able to be customized to meet your need.

Applicants can include cell references in the LIHTC Basis cells of the development budget section of the application so long as they only reference the Total Cost Cell on the same line item **and** the Total Cost Cells being referenced do not themselves contain formulas or references to other cells.

DCA will review the development budget during threshold review and, as applicable, HOME underwriting. DCA reserves the right to determine the reasonableness of individual line items and the budget as a whole, and to adjust line items and/or inclusion of amounts in eligible basis as may be appropriate in its determinations, in its sole and absolute discretion.

**Land** – DCA reserves the right to request additional information to establish the value of the land.

**Off-Site Improvements/Preparation** is generally not eligible for inclusion in eligible basis for tax credit purposes, and is not eligible for subsidization with HOME funds.

**Construction Contingency** — Do NOT leave formulas or references to other cells as the Total Amount – an actual numerical value must be entered before submitting the electronic application. Please refer to the “Construction Contingency” policy; “Soft Cost Contingency” is not allowed per the policy in the 2011 Plan.

**Contractor Services** – Please refer to the 2011 QAP policies regarding “Builder Cost Limitations” and itemize all cost in the appropriate lines. DCA HOME loan Applicants that have obtained DCA pre-approval to obtain a letter of credit in lieu of a payment and performance bond for applications where there is an identify of interest between the owner and the contractor may itemize the fee for obtaining the letter of credit in this section.

**Construction Period Financing** – Please itemize all Construction Period Financing expenses and fees in the appropriate lines. DCA HOME loan Applicants that have obtained DCA pre-approval to obtain a construction loan in lieu of a payment and performance bond for applications where there is an identify of interest between the owner and the contractor may itemize the construction loan interest and fees in this section. Comments regarding the calculation of Construction financing interest and fees are encouraged.

**Professional Services** – Please itemize all professional services fees in the appropriate lines. Comments regarding the calculation of Professional Costs and Fees are encouraged.

**Local Government Fees** – Please itemize all Local Government Fees in appropriate lines. Please do not include these items in Unit/Building Construction line items. Please indicate whether Water Tap Fees or Sewer Tap Fees have been waived. Documentation or comments supporting these estimates are required.

**Permanent Financing Fees** – As represented in the commitment letters provided in the appropriate tab.

**DCA-Related Costs** - Please itemize all applicable DCA related fees in the appropriate lines. DCA fees are listed in the 2011 QAP Exhibit A “DCA Post Award Deadlines and Fee Schedule”.

**Equity Costs** – Tax Credit Allocation Fee is calculated as 7% of the annual federal allocation amount for both 4% and 9% credit projects. Tax Credit Compliance Monitoring Fees are listed in the 2011 QAP Exhibit A “DCA Post Award Deadlines and Fee Schedule”. Do NOT leave formulas or references to other cells as the amount – an actual numerical value must be entered before submitting the electronic application.

**Developer's Fee** — Includes the total of all Consultant (please review Plan definition) fees (regardless of whether the Consultant is serving as a developer, construction manager, development administrator, etc.), developer's overhead, and developer's profit. Generally developer's overhead should not account for more than 50% of the full fee. **Do NOT leave formulas or references to other cells as the amount – an actual numerical value must be entered before submitting the electronic application.**

**If you are applying for both acquisition and rehab credits or for rehab credits only, please refer to the Maximum Developer Fee section of the 2011 QAP Core Policies.** The developer fee will be a two-part calculation pursuant to the 2011 Core Plan. The adaptive reuse of an existing structure is considered rehabilitation. New construction of buildings as part of the same application will be considered new construction. Please also see the "Developer's Fee Limitations" policy and the "Developer Overhead and Consultant Fees" definitions and policy in the 2011 Plan. Please note that rehab costs and new construction costs should be broken out from the Total Cost.

**Start-Up and Reserves** - please refer to the 2011 Core Policies for policies and requirements regarding the following start-up expenses and reserves:

**Marketing** - Include all pre-stabilization marketing expenses in this section, exclusive of rent-up reserves.

**Rent Up Reserves** - A reasonable rent up reserve is required for all projects based on the estimated projected lease up deficit, exclusive of marketing cost. Absent information to the contrary, DCA will assume that three months of projected operating expenses constitutes a reasonable reserve.

**Operating Deficit Reserve** - DCA Tax Credit and HOME funded projects must generally establish an operating deficit reserve account equal 6 months' debt service for all secured debt on the project plus 6 months projected operating expenses. This amount may be greater, depending upon the requirements of other lenders or investors. However, DCA reserves the right to determine its reasonableness for the project.

**Replacement Reserves** - Replacement reserves are generally funded out of operating expenses. Only those pre-funded replacement reserves as required by lenders'/equity providers' commitment letters should be entered.

**Furniture, Fixtures and Equipment** - DCA requires that the cost of all **common space** furniture and other equipment be included in this line item of the development budget. **Do NOT** include these costs in the construction contract. Do not include the cost for Interior Design Services in this location. Interior Design Services / Consultants are included in the Developer Fee.

**Other Costs** — must be described in the space(s) provided. Do not use vague, general terms that may include several unrelated items – be specific. Provide further detail in the electronic Comments section.

**Soft Cost Contingencies** — or "project contingencies" above and beyond construction contingency are not allowed and will not be considered by DCA to be a part of the development cost.

## II. TAX CREDIT CALCULATION – BASIS METHOD

**Subtractions from Basis** — Complete the table, identifying those items that are required to be deducted from the project's eligible basis.

**Eligible Basis Adjustment Calculation** — Complete the table. Per the federal requirement, if the project is in a qualified census tract or difficult development area, the project is eligible for up to 30% basis boost for new construction and/or rehab. If the State Designated Boost is being requested, the Comments section must indicate the basis for the request, and the appropriate deferred developer fee must be entered in Sources. **All required backup documentation substantiating the need and indicating eligibility category(ies) per the QAP ( pp. 15-16, 2011 QAP) for the state designated basis boost must be included in the appropriate tab in the Application.**



The **applicable fraction** will be automatically calculated (the lesser of the percentage of low-income units or low-income square footage).

**For purposes of an application for 9% credits the Applicable Credit Percentage for the month of May 2011 should be utilized. For purposes of an application for 4% credits (Tax-Exempt Bond financed applications), the Applicable Credit Percentage for the month preceding the submission of the application for tax credits should be utilized.**

### III. TAX CREDIT CALCULATION – GAP METHOD

**Total Development Cost (TDC)** – Enter the lesser of the DCA per-unit cost limit (PUCL) or the TDC, if the proposed TDC is within DCA’s PUCL.

If the TDC exceeds the PUCL, the applicant must:

1. Enter the proposed TDC amount in the box, provided there is a grant from a non-profit foundation or a charitable organization to cover the cost in excess of DCA’s cost limit. If there is no grant funding from a foundation or charitable organization to cover the cost that exceeds DCA’s cost limit, the TDC for the purposes of the Gap Method of the credit calculation cannot exceed the applicable DCA cost limit.
2. Identify the foundation or charitable organization and indicate the grant amount to cover the cost exceeding the DCA cost limit in the spaces provided.
3. Identify in the Sources of Funds section (Part III A) the grant from the foundation/charitable organization ( $\geq$  the cost in excess of the DCA cost limit)

**Equity Factors - The equity factor used will be the price per federal and state tax credit dollar based on the equity commitment in the Application.** DCA reserves the right to adjust the prices per federal and state tax credit dollar (equity factors) if the amounts input by the applicant are not reasonable.

### IV. TAX CREDIT ALLOCATION

**Tax Credit Allocation** — The credit amount determined by the eligible basis calculation establishes the *maximum* credit amount. However, DCA cannot and will not allocate more credit to a project than is necessary for financial feasibility. If the credit amount resulting from the equity gap calculation is *less than* the credit amount resulting from the eligible basis calculation, then the maximum credit amount *needed* will be the credit amount resulting from the equity gap calculation. However, the amount of actual tax credit allocation will be the lesser of this maximum credit amount *needed*, the DCA per owner LIHTC limit (determined in the Plan) or any lower credit amount requested by the applicant.

### V. APPLICANT COMMENTS & CLARIFICATIONS

Include all clarifications or comments pertaining to this Part in this section.

**PART FIVE – UTILITY ALLOWANCES**

**UTILITY ALLOWANCE SCHEDULES**

**Utility Allowance Per Unit Information**— Two separate Utility Allowance Schedules are provided to capture up to two different utility configurations. In the tables provided, indicate which utilities the owner would pay and which the tenant would pay. For the tenant-paid utilities, indicate the allowance amounts from the appropriate source documentation. Use the allowances appropriate to the structure type – i.e., multifamily (2+ units), single family detached or manufactured housing – and to the DCA Utility Region – north, middle or south (please refer to the map provided in the Application Manual). The total utility allowance per bedroom size calculates automatically.

Enter the **Source** and **Date** of the source document from which the utility allowance amounts were obtained. Be sure that the most recently released allowances are used.

Indicate the applicable **Structure Type** as defined in the source document from which the utility allowance amounts were obtained. For example, applicants using the DCA Utility Allowances would choose MF, SF Detached or Mfd Home.

For each of the seven utility categories shown (Heat, A/C, Cooking, Hot Water, Lights, Water & Sewer, and Refuse Collection), indicate the following in the spaces provided (NOTE: Elderly allowances cannot be used except at properties that have 100% HUD PBRA and satisfy the DCA definition of "elderly"):

1. For the Heat, Cooking and Hot Water utilities, select the applicable Fuel Type.
2. For Water & Sewer, indicate whether or not the units will be submetered. If the water and sewer will be submetered, then no water and sewer utility allowances may be included here.
3. Is the utility to be paid by the Tenant or by the Owner? If the utility is available, one or the other must be marked.
4. For the tenant-paid utilities, indicate the allowance amounts from the source documentation mentioned above. Calculate the total utility allowance per bedroom size. **Note: If there is a local public housing authority administering the Section 8 program in your area, contact that authority for water, sewer, and refuse collection allowances also.** If the entity administering the Section 8 program in the project's local jurisdiction does not have utility allowances for water, sewer, or trash removal, then the DCA utility allowances should be used.

**NOTE: No changes will be allowed after application submission in the fuel types, utility providers, or payers of the utility bills.**

**APPLICANT COMMENTS & CLARIFICATIONS**

Clarifications or comments pertaining to this Part should be entered in this section.

**PART SIX – REVENUES AND EXPENSES**

**I. RENT SCHEDULE**

**Floating or Fixed HOME units** - Indicate whether the HOME funded units will be floating or fixed. DCA will assume that all HOME units are floating unless otherwise designated in this section. Note that all low income units are considered to be HOME assisted units and subject to those restrictions.

**100% HUD PBRA**—Indicate whether all units in the project are HUD PBRA units.

**For the Rent Schedule section all applicants must show the proposed Unit Mix by answering all column questions in each row used. To avoid errors, fill in the chart from left to right without skipping columns. Order the columns first by Unit Rent Type, then by Nbr of Bedrooms (All 50% units first, broken down by nbr of bedrooms, then 60% next, etc).**

**Rent Type** is a drop-down box. Select the appropriate Unit Rent Type from the drop down box. Please also see the “Unit Distribution with Multiple DCA Funding Resources” policy in the 2011 Plan. **Please use order shown below:**

For a Unit Rent Type of:

50% of AMI  
60% of AMI  
Unrestricted  
Common Space

Select:

50% AMI  
60% AMI  
Unrestricted  
N/A-CS

The units that are designated as **HOME** are subject to fair market rent limitations. All low-income units are considered to be HOME units. For low-income units receiving HOME funds and tax credits, the gross rents may not exceed 30% of 50% of the effective AMI for at least twenty percent (20%) of the low income units, with the balance of low income units not exceeding 30% of the 60% AMI. It is important to note that *all* low income units are limited to HUD’s Fair Market Rent for the appropriate bedroom size should it be less than the applicable rent at the proposed AMI. Applicants should assume 1.5 persons per bedroom. For HOME Loans, rents must be affordable at initial lease-up and must remain affordable over the term of the HOME Loan.

If HOME units are subject to a PBRA agreement (with a minimum 10 year term or 10 years remaining term), then the PBRA rents should be used. If the HOME units are not under a rental assistance agreement (or one with less than 10 years remaining) then the HOME rents should be used. Applicants are encouraged to review DCA and HUD guidance on determining the correct number of HOME units and by utilizing the “HOME Allocation” tab in the electronic core application.

**Number of Bedrooms** - Please indicate the number of bedroom(s) in the units by choosing from the options provided (Efficiency, 1, 2, 3, or 4) in the column.

**Number of Bathrooms** – indicate the number of bathrooms in the units described in the row.

**Unit Count** – indicate the number of units that reflect each unit configuration.

**Unit Area** – indicate the square footage that reflects each unit configuration.

**Max Gross Rent Limit** – Enter the program maximum unit rent that can be charged for the units as governed by DCA LIHTC or HOME rent and income limits.

**Proposed Gross Rent** – enter the proposed rent to be charged for each unit (includes utility allowance). This rent cannot exceed the Gross Rent Limit, except if there is PBRA for 10 yrs or more which allows for higher rents.

For **LIHTC/PHA units with an investment/operating subsidy** the proposed Unit Gross Rent and the Net Rent will generally be reflected as zero. Applicants must enter a Utility Allowance of zero for these units into the rent chart. **Applicants must enter the operating subsidy in the Non-Occupancy Based income part of the Other Income Sources section.**

**Utility Allowance** – enter the utility allowance for each unit from the appropriate utility allowance chart. A zero must be entered here for market rate units and for **PHA op sub units with an investment/operating subsidy.**

**PBRA Provider or Operating Subsidy** – If neither PBRA nor Operating Subsidy applies, then leave box empty. If the application has or will have any project based rental assistance (PBRA), select the provider of the PBRA for such units from the dropdown menu: HUD, PHA PBRA, USDA or Other Governmental PBRA.

If the application will have an operating subsidy provided through a public housing authority, please select “PHA Oper Sub” from the dropdown menu. **If “PHA Oper Sub” is selected, then applicants must also enter a zero “0” for Proposed Gross Rent AND enter the operating subsidy amount in the Non-Occupancy Based income part of the Other Income Sources section.**

**Net Rent** – The application will automatically subtract the Utility Allowance from the Gross Rent to determine the net rent to be collected by the Owner for each unit. The Application will automatically calculate the total net rent the Owner will receive for all units and then transfers it to the Proforma.

**Employee Unit** is a drop-down box. If your Employee Unit is a low income restricted unit, then the employee must be income-qualified and the unit will be subject to both income and rent restrictions and the Applicant must select “Residential” from the drop down menu. If your Employee Unit is a market rate unit, then rent may be charged and no rent and income restrictions are applicable, so choose “No” from the drop down menu. If your Employee Unit is a common space unit, then no rent may be charged for this unit, a Rent Type of “N/A-CS” must be selected and “Common” should be chosen from the drop down menu. Common space employee units are included in the Total Unit count but not the Residential Unit count.

**Building Type** is a drop down box. Indicate the appropriate building type for each unit in the column from the choices provided: Single-family detached, Manufactured home, Duplex, Townhome, 1 Story, 2 Story, 2 Story Walk up, 3+ Story.

**Type of Activity** is a drop down box. Indicate the appropriate activity for each unit in the column from the choices provided: New Construction, Rehabilitation, or Acquisition/Rehabilitation.

## II. UNIT SUMMARY

This section automatically fills in based upon the lines **completed correctly** in the rent chart, except for the following two items:

**Adaptive Reuse units** – enter the number of adaptive reuse units of each bedroom size

**Historic Rehab units** - enter the number of historic rehab units of each bedroom size

**NOTE:** If this section does not appear to calculate correctly, please carefully review the rent chart to make sure the rows used are completed and correct. Partial or illogical (e.g., common space units showing a Rent Type of something other than “N/A-CS”) completion of rows in the rent chart can result in incorrect numbers in the unit summary.

### III. ANCILLARY AND OTHER INCOME SOURCES

**Ancillary Income**— refers to regular anticipated income that is dependent on project occupancy rate and that will be trended in the pro forma at the DCA revenue trend rate. Ancillary income may involve laundry and vending machines, nonrefundable deposits and fees, etc. Ancillary income is set to 2% of gross income for DCA underwriting purposes.

**Other Income**— refers to regular income that is NOT dependent on project occupancy rate and that will NOT be trended in the pro forma at the DCA revenue trend rate. Enter the annual actual dollar amounts in the spaces provided, for each year the income is anticipated.

This income category is further divided into two sections for each year:

1. Other Income that is typically *included* in the calculation of the property management fee

**Operating Subsidy** - Enter the operating subsidy amount for each of the applicable years. All annual payment schedules must be substantiated with original documentation detailing the source, amounts, and duration inserted in the application binder where indicated by the Tabs Checklist. **For operating subsidies provided by PHAs, the Rent Schedule should show Proposed Gross rents of zero (0) charged for the units receiving the operating subsidy, as well as a selection of “PHA Oper Sub” from the drop-down list in the “PBRA Provider or Operating Subsidy” column for such units.**

**Other** - Enter the other income amount and source for each of the applicable years for applicable sources. All annual payment schedules must be substantiated with original documentation detailing the source, amounts, and duration inserted in the application binder where indicated by the Tabs Checklist.

2. Other Income that is typically *NOT included* in the calculation of the property management fee

**USDA 538 Loan Interest Credit** – this line auto-completes based on entries made in the USDA 538 Loan tab.

**Tax Abatement** - Enter the annual tax abatement amount for each of the applicable years. All annual payment schedules must be substantiated with original documentation detailing the source, amounts, and duration inserted in the application binder where indicated by the Tabs Checklist.

To show tax *exemptions*, simply leave the Real Estate Taxes box in the operating expense budget empty and enter an explanation into the comments section provided for this section.

**Other** - Enter the other income amount and source for each of the applicable years for applicable sources. All annual payment schedules must be substantiated with original documentation detailing the source, amounts, and duration inserted in the application binder where indicated by the Tabs Checklist.

### IV. ANNUAL OPERATING EXPENSE BUDGET

**All expenses delineated in the Operating Budget must be broken out in as many categories as apply.**

Enter the on-site staff costs, on-site office costs, professional services, maintenance expenses, utilities, taxes and insurance, on-site security costs and management fee in the applicable categories. The Total Operating Expenses and the Total Annual Expenses will automatically calculate. The Total Operating Expenses less management fee and the replacement reserve contributions will automatically transfer to the Pro Forma.

**Other (describe here)**—must be described in the space(s) provided. Do not use vague, general terms that may include several unrelated items – be specific. If unable to accomplish this in the space provided, please enter “See Comments” in the space and provide further detail in the applicant comments section that follows.

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**Note:** The annual operating expense budget, net of replacement reserve contributions, must be no less than \$4,500 per unit for projects located in the City of Atlanta, \$4,000 for other urban areas (projects located in metropolitan statistical areas), \$3,000 for rural areas (projects located outside of metropolitan statistical areas), or \$3,000 for rural projects using USDA 515 funds. DCA reserves the right to scrutinize the operating budgets in accordance with market analyses, appraisals, and information on existing DCA projects similar in size, scope, and location. See also the “Annual Operating Expenses” policy in the 2011 Plan.

**Real Estate taxes** – Amount entered must be gross taxes without any deduction for abatement. Abatements must be shown in the “Other Income” section in the line provided. Please also include the calculation methodology in the Applicant Comments. If project has a tax exemption, then leave this amount blank or enter a zero.

**Management Fee** – Use the boxes provided at the top of the Proforma to indicate Management Fee

The annual **replacement reserve contribution** must be no less than \$350 per unit for projects involving rehabilitation, \$250 per unit for new construction projects, \$420 per unit for single-family units, or \$420 per unit for projects involving historic rehabilitation. DCA will use the reserve levels in the HOME policy for tax credit underwriting purposes unless a greater amount is specified. For the purposes of final tax credit underwriting, documentation of the reserve will be reviewed by DCA. For rehab projects, DCA will review the capital reserve replacement information provided in the physical needs assessments to verify that the correct amount is entered. The application will automatically calculate the reserve based on the number of units inputted in the project information section. See also the “Replacement Reserve” policy in the 2011 Plan. Indicate in the space provided the proposed annual replacement reserve contribution per unit.

**Operating Expenses per unit and Replacement Reserves per unit** - The electronic application automatically calculates actual proposed Operating Expense per unit and Replacement Reserve per unit based on applicant’s entries.

## V. APPLICANT COMMENTS & CLARIFICATIONS

Clarifications or comments pertaining to this Part must be entered into this section, and must include the methodology for projecting the real estate expense at a minimum.

## PART SEVEN - PROJECT CASH FLOW PRO FORMA

**Complete the entire pro forma forecast for the greater of the entire credit Compliance Period, HOME loan term, or the Period of Affordability, as applicable.. Note: Most of the Proforma will be automatically generated.** Please also see the “Revenue, Vacancy, and Expense Trends” policy in the 2011 Plan

### I. OPERATING ASSUMPTIONS

**Revenue Growth** — The assumption for revenue growth for project-based rents, project-based rental assisted rents, and occupancy-based income will be 2% per year.

**Expense Growth** — The assumption for expense growth for operating costs net of management fee and replacement reserve contributions will be 3% per year.

**Reserves Growth** — The assumption for growth for annual reserve contribution will be 3% per year.

**Vacancy/Collection Loss**—The assumption for vacancy and collection loss will be 7%.

**Ancillary Income** – The assumption for other income growth will be 2% per year.

**Asset Management Fee** – Enter the appropriate asset management fee.

**Incentive Management Fee** – Applicant must enter the amount of the incentive management fee, if applicable.

**Property Management Fee Growth** – applicants must indicate the trending method to be used in the operating forecast by using the choice boxes provided. Applicant must choose ONLY one of the following options:

- "Expense Growth Rate" - also provide the Year 1 Management Fee amount, or
- "Percent of Effective Gross Income" - also provide the percentage to be used

Do not make ANY entry in the box for the option not chosen – leave it empty.

### II. PROFORMA

**Vacancy Rate**—enter applicable rate of DCA Policy minimum or greater.

**Management Fee**—The annual amount of the property management fee will be automatically calculated based upon the applicant’s choice of fee calculation methods.

**Debt Service**—The spreadsheet automatically calculates a fully amortizing debt service value default based on the numbers entered on the Permanent Financing summary in the Sources & Uses Tab. For other debt service types, the applicant must enter the debt service amount (enter each amount as a **negative** integer for proper calculation of the pro forma) for each loan for each year, in accordance with the terms of the loan. Applicant comments **and** an amortization schedule from the lender are required if the payments are not based on standard amortization.

**Cash Flow (Before-Tax)**—**must be positive** during the entire credit compliance period or term of the HOME loan.

**Debt Service Coverage Ratio (DCR)**-The Debt Service Coverage Ratio, or the last calculated DCR line shown in the Application, must be no less than **1.20 for New Construction and 1.25 for projects involving rehabilitation** during the entire credit Compliance Period, HOME loan term, or the Period of Affordability, whichever is longer. Please also see the “Debt Coverage Ratio” policy in the 2011 Plan.

**Operating Expense Coverage Ratio** – used to evaluate no-debt proposals.

**Balance of DCA HOME Loan**—If you are applying for a DCA HOME loan, then enter the outstanding balance of the DCA HOME loan in one of the “Other Source Balance” spaces provided. **The outstanding balance may not exceed the principal loan amount during any year of the HOME loan term.**

### III. APPLICANT COMMENTS & CLARIFICATIONS

If applicants have any clarifications or comments pertaining to this Part, these must be entered into this section.

**PART NINE A– SCORING CRITERIA**

All Applicants are required to complete each section in the self score as follows:

- 1) Enter the Applicant’s self score for each section and subsection.
- 2) Review and answer all applicable questions by selecting an answer from the drop down menu provided or entering the requested information,
- 3) Complete the comment section for each applicable scoring section by providing a brief summary of why the Applicant believes that the submitted Application should obtain the suggested score. Reference any supporting documents that are included in the Application.
- 4) Recheck all scores, answers, and totals to ensure completion and accurate calculation of self score.

**PART NINE B– SUPERIOR PROJECT CONCEPT NARRATIVE**

**Superior Project Concept Narrative** – Include where indicated by the Tabs Checklist a brief narrative explaining how this project meets the criteria of this section and why the concept or design is different than most tax credit projects. **A form is included in a tab in the electronic core application for your use.**



