

## I) Definitions

The following capitalized terms used in this QAP shall have the following definitions:

“Allocation”	shall mean the award of Tax Credits to a Project pursuant to Section 42. An Allocation may be made pursuant to a Carryover Allocation Letter or the issuance of IRS Form(s) 8609.
“AMI”	shall mean the median income of the County in which the Project is located, or the metropolitan statistical area of Chicago, or the metropolitan statistical area of St. Louis, adjusted for family size, as such adjusted income and median income for the area are determined from time to time by HUD for purposes of Section 8 of the United States Housing Act of 1937.
“Application”	shall mean an entire set of required and requested documents, in paper and electronic form, as prescribed in this QAP and submitted by an Owner to the Authority.
“Authority”	shall mean the Illinois Housing Development Authority.
“Board”	shall mean the Members of the Authority.
“Carryover Allocation”	shall mean the Allocation for a Project which is not expected to be Placed in Service in the year of the initial Allocation, made pursuant to the provisions of Section 42(h)(1)(E) of the Code.
“Carryover Allocation Letter”	shall mean the written documentation from the Authority to an Owner making a Carryover Allocation for that Owner's Project.
“Code”	shall mean the Internal Revenue Code of 1986, as amended, and the regulations, notices, revenue rulings and other official pronouncements promulgated under it, all as they may be amended from time to time.
“Compliance Period”	shall mean the period, as defined in Section 42(i)(1) of the Code, during which a Project must comply with the occupancy restrictions (both income and rent) of Section 42.
“Credit Ceiling”	shall mean the amount of Tax Credits available for Allocation by the Authority for any calendar year, as provided in Section 42.
“Credit Period”	shall mean with respect to any building in a Project, the period of ten taxable years beginning with the taxable year in which such building is Placed In Service or, at the election of the Owner, the following taxable year.
“Determination Letter”	shall mean the written documentation from the Authority to an Owner evidencing a determination by the Authority that a Project being financed with the proceeds of tax-exempt bonds satisfies the requirements of the QAP and Section 42(m)(1)D of the Code.
“Elderly Housing”	shall mean housing (i) intended for, and solely occupied by, persons age 62 or older; or (ii) intended and operated for

occupancy by at least one person age 55 years or older per unit, and at least 80% of units within the Project are so occupied, when such housing also provides "Elderly Services," as defined herein; or (iii) provided for under any state or federal program that HUD has determined is specifically designed and operated to assist elderly persons (as defined in the state or federal program).

"Elderly Services"	shall mean two or more of the following: social and recreational programs, continuing education, information and counseling, recreation, homemaker, outside maintenance and referral services, an accessible physical environment, emergency and preventive health care programs, congregate dining facilities, transportation to facilitate access to social services and facilities available to them.
"Extended Use Agreement"	shall mean the Tax Credit documentation executed by and between the Authority and the Owner, which is binding upon the Owner and all successors to the Owner, and which requires that the Project comply with the requirements of Section 42, the QAP, the Application and the Authority.
"Extended Use Period"	shall mean the period during which a Project must comply with the occupancy restrictions (both income and rent) of Section 42, given an Owner's election or indication on the Application, as set forth in the Extended Use Agreement and as defined in and subject to the requirements, terms and conditions set forth in Section 42(h)(6)(D).
"Extremely Low Income"	shall mean a household income that falls between 15% and 30% of the AMI for the area in which a Project is located.
"HUD"	shall mean the United States Department of Housing and Urban Development
"Identity of Interest"	shall mean the existence of any of the following conditions: <ul style="list-style-type: none"><li>• When one or more of the officers, directors, stockholders, members, or partners of the Owner is also an officer, director, stockholder, member, or partner of any other Participant;</li><li>• When any officer, director, stockholder, member or partner of the Owner has any financial interest whatsoever in any other Participant;</li><li>• When any Participant advances any funds to the Owner;</li><li>• When any Participant provides and pays, on behalf of the Owner, the cost of any architectural services or engineering services other than those of a surveyor, general superintendent, or engineer employed by any other Participant in connection with its obligations under its contract with the Owner;</li></ul>

- When any Participant takes stock or any interest in the Owner entity as part of the consideration to be paid him/her;

"IRS"	shall mean the Internal Revenue Service
"Low Income"	shall mean a household income that is less than or equal to 60% of the AMI for the area in which a Project is located.
"Material Participation"	shall mean the regular, continuous and substantial involvement in the operation of the development throughout the Compliance Period, as defined in Section 469(h) of the Code and the regulations promulgated under the Code, codified at 26 CFR § 1.469-5T.
"Owner"	shall mean the duly formed, validly existing single purpose entity that owns or will own the Project and that has applied for Tax Credits pursuant to this QAP. The Owner includes all individuals and entities of which the ownership entity is comprised. From time to time the Authority may refer to the term "Sponsor" in connection with the ownership of, or in connection with an Application for, a Project. The term "Sponsor" shall mean a duly formed, validly existing entity that has created or controls the Owner of the Project.
"Participants"	shall mean the members of the development team, including Owner, general contractor, architect, property manager, consultants, and syndicators proposed to be involved with the Project.
"Placed in Service"	<p>shall have the following meaning, based on the Project type:</p> <p>New construction Projects: A building is determined to be Placed in Service when the first unit is ready for occupancy.</p> <p>Rehabilitation Projects: The Placed in Service date for a rehabilitation building is the date established by the Owner at the end of any 24-month period within which the Tax Credit rehabilitation expenditure threshold (the greater of \$3,000 per Low Income unit or 10 percent of acquisition cost) has been satisfied.</p> <p>Acquisition Projects: An existing building is normally Placed in Service upon its acquisition. However, if the building is not in habitable condition, it will not be Placed in Service until restored. Note, however, that even though an occupied building is Placed in Service when it is acquired, its Credit Period cannot begin until the beginning of the Credit Period for the related rehabilitation expenditures.</p>
"Preliminary Site and Market Assessment"	shall mean an entire set of required and requested documents for a site and market review, in paper and electronic form, as prescribed in this QAP and submitted by an Owner to the Authority.

“Project”	shall mean an existing or proposed qualified Low Income housing project, as defined in Section 42, that satisfies, or will satisfy, all of the requirements of the QAP and the Authority.
“QAP”	shall mean the Qualified Allocation Plan, as required under Section 42.
“Reservation”	shall mean the specific amount of Tax Credits reserved for a Project, as evidenced by a Reservation Letter, which the Authority may allocate to the Project.
“Reservation Letter”	shall mean the written documentation from the Authority to an Owner conditionally binding the Authority to make an Allocation of Tax Credits in a specific amount for that Owner’s Project.
“Section 42”	shall mean Section 42 of the Code and the regulations and revenue rulings promulgated under it, all as they may be amended from time to time.
“SLF”	shall mean a Supportive Living Facility under the Supportive Living Program for the frail elderly, administered by the Illinois Department of Healthcare and Family Services.
“Supportive Housing Populations”	shall mean households headed by persons with disabilities and households that are homeless or at-risk of homelessness, who require access to supportive services in order to maintain housing.
“Supportive Housing Project”	shall mean a Project which targets 50% or more of its units to Supportive Housing Populations.
“Tax Credits”	shall mean federal low income housing tax credits, as authorized by Section 42.
“Ten Percent (10%) Test”	shall mean ten percent (10%) of the reasonably expected basis as defined in Section 42.