



**SOUTH DAKOTA HOUSING
DEVELOPMENT AUTHORITY
APPLICATION FOR
TAX CREDIT EXCHANGE PROGRAM
TAX CREDIT ASSISTANCE PROGRAM**



JULY 2009

Applications will be processed as received



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For information regarding Section 504 Accessibility, contact the South Dakota Housing Development Authority 504 Coordinator, Steve Hughes, at 1-800-540-4241.

General Application Information:

The American Recovery and Reinvestment Act of 2009 (ARRA), Pub. L. 111-5 (“The Recovery Act”) establishes a federal funding opportunity through two separate programs, the Section 1602, “Cash Assistance” in Lieu of Tax Credits program called the Tax Credit Exchange Program (TCEP) and Tax Credit Assistance Program (TCAP). See Recovery Act Tax Provisions, Title I, Subtitle G, Section 1602 and Title XII (Pub L. 111-100), respectively. Both programs make stimulus package funding available to multi-family rental projects that meet the requirements of the LIHTC program.

The Tax Credit Exchange Program allows state housing tax credit allocating agencies to exchange a portion of the housing tax credits for cash grants. The cash grants can then be used by the allocating agencies to make “sub awards” to finance the construction or acquisition and rehabilitation of qualified low-income buildings.

Individual owners do not have any entitlement under the law to receive exchange funds – only the housing allocating agencies can request the exchange. Exchange funds are in the amount of \$.85 x 10 for each housing tax credit dollar. Housing allocating agencies do not have to award \$.85 to each developer – but instead the dollar amount necessary for feasibility of the project. The housing allocating agency can exchange 100% of unused 2008 or prior year returned credits and no more than 40% of the 2009 per capital credits.

To apply for funding through TCEP, applicants must have an award of 2007, 2008, or 2009 Low Income Housing Tax Credits and have been unable to secure an equity investor or an equity rate sufficient to sustain the project. The applicant must demonstrate they have made an exhaustive effort to obtain adequate equity funding. Tax credits may be exchanged for an award up to \$.85 for every housing tax credit dollar necessary to make the project financially feasible.

The Tax Credit Assistance Program provides grant funding for capital investment in LIHTC projects via a formula-based allocation to each state. The purpose of the TCAP funding is to assist in filling the funding gap resulting from the decline in equity pricing. SDHDA will distribute these funds competitively and according to the qualified allocation plan. TCAP funds are federal funds, therefore federal funding regulations, similar to the HOME program regulations such as Davis Bacon, relocation and environmental reviews must be met by the applicant. The income and rent restrictions of the HTC program will be required for the affordability period. SDHDA has received an allocation of \$5,405,055 for the Tax Credit Assistance Program.

To apply for funding through TCAP, applicants must have been awarded, or will simultaneously with TCAP funding be awarded, Low Income Housing Tax Credits between October 1, 2006 and September 30, 2009, and must have LIHTC equity pricing of less than \$.85 per tax credit dollar.

Housing allocating agencies are to make awards in the same manner and subject to the same limitation and requirements of the housing tax credit program (income, rent and use restrictions for the entire affordability period). SDHDA must perform or contract for certain asset management functions to ensure compliance with I.R.C Section 42 and the long term viability of projects funded by TCEP and/or TCAP funds. The asset management functions required by the TCEP and TCAP exceed the compliance monitoring functions required by the LIHTC program. Both TCEP and TCAP permit an allocating agency to contract with a service provider to satisfy the asset management requirements. In circumstances where SDHDA awards TCEP funds, TCAP funds or combinations thereof, to a project lacking a substantial LIHTC equity investor presence, SDHDA may require TCEP and/or TCAP recipients to engage in the services of a firm prequalified by SDHDA. Recipients of TCEP and TCAP funds are obligated to cover the cost of asset management functions. The determination of whether or not a substantial equity investor presences exists will be made solely at SDHDA’s discretion.

**SOUTH DAKOTA HOUSING DEVELOPMENT AUTHORITY (SDHDA)
APPLICATION FOR
TAX CREDIT EXCHANGE PROGRAM (TCEP)
TAX CREDIT ASSISTANCE PROGRAM (TCAP)**

Internal Revenue Code (IRC) Section 42, all applicable federal regulations under ARRA, and the Qualified Allocation Plan of the year the project was awarded tax credits will be applied to the TCEP and TCAP programs. Unless otherwise specified, the applicant must complete all parts of the application and include all supporting documentation.

GENERAL PROJECT INFORMATION

- A. Project Name: _____
 Site Address (es): _____
 City: _____ County: _____ Zip Code: _____
- B. Owner: _____
 Owner Federal Taxpayer ID No. _____ Date Obtained: _____
 Contact Person: _____
 Phone No. _____ E-Mail Address: _____
- C. Housing Tax Credits Awarded: \$ _____ Year _____
 \$ _____ Year _____
- D. Current Housing Tax Credit Rate: \$ _____
- E. Housing Tax Credits to Exchange: \$ _____ Year _____
 \$ _____ Year _____
- F. Amount of Tax Credit Assistance Program Funds Requested: \$ _____

PLEASE NOTE: SDHDA will make the final determination of the amount of tax credits to be exchange, the amount of cash to be awarded in lieu of the tax credits, and/or the amount of TCAP funds to be awarded.

- G. All applicants **must attach a narrative** describing the steps taken to secure an equity investment and describe issues inhibiting an investor in the project. The narrative must identify all potential investors that either denied or provided unacceptable equity investment offers and why such specific terms and conditions were detrimental to the projects feasibility. Applicants **must also attach a minimum of three letters** from equity providers that were contacted and either denied or provided unacceptable equity investment offers. SDHDA will look for evidence that the applicant has made an exhaustive effort to obtain an equity investor at an acceptable rate SDHDA reserves the right to corroborate presented facts, and may request additional information from the applicant and/or identified investor(s) or syndicator(s). SDHDA will determine whether an applicant has met the federal good faith effort test. Any misrepresentation by the applicant shall draw maximum penalties under the Housing Tax Credit Program and may result in the loss of all or a portion of the tax credit award and corresponding project funding.

- H. Fee requirements for TCEP (same as would apply to Housing Tax Credits):
- A reservation fee of 3% of the annual credit amount reserved is due upon notification from SDHDA of reservation of tax credits.
 - An allocation fee of 7% of the annual credit amount reserved is due at the time of final allocation.
 - Additional fee requirements may be found in Part IX of the SDHDA Qualified Allocation Plan.
- I. Applicants must complete the following pages and include an updated pro-forma through the extended use period of the project.

TENANT PAID UTILITY ALLOWANCE INFORMATION

Indicate which of the following type (electric, gas, etc.) and costs (if any) paid by the Tenant (T) or Owner (O) and fill in bedroom size:

	Type	Paid By	Bedroom	Bedroom	Bedroom
Heating	_____	_____	_____	_____	_____
Air Conditioning	_____	_____	_____	_____	_____
Cooking	_____	_____	_____	_____	_____
Lighting	_____	_____	_____	_____	_____
Hot Water	_____	_____	_____	_____	_____
Water/Sewer	_____	_____	_____	_____	_____
Trash	_____	_____	_____	_____	_____
Other _____	_____	_____	_____	_____	_____
Total Cost			_____	_____	_____

Source of Utility Allowance: _____ Effective Date: _____

This source is a: PHA _____ Utility Company _____ HUD _____ USDA _____

PROJECT INCOME

TOTAL NET MONTHLY TENANT PAID RENT FOR ALL UNITS \$ _____

Miscellaneous **MONTHLY** Income Related to Residential Use (specify)

_____ \$ _____

_____ \$ _____

TOTAL MISCELLANEOUS MONTHLY INCOME \$ _____

TOTAL ANNUAL MISCELLANEOUS RESIDENTIAL INCOME \$ _____ (Page 9 Total *12)

TOTAL ANNUAL NET TENANT PAID RENT FOR ALL UNITS \$ _____ (Page 8 Total *12)

TOTAL ANNUAL **RESIDENTIAL** INCOME \$ _____
(NET TENANT PAID RENT + MISCELLANEOUS)

TOTAL ANNUAL **COMMERCIAL** INCOME \$ _____

TOTAL PROJECT INCOME FROM **ALL SOURCES** \$ _____

PROJECT EXPENSES

Annual Operating Expenses (Estimated as of the **end** of the first full year of operation); with copies of supporting documentation provided. **All** residential expenses must be broken out by line item. Category totals only **will not** be accepted.

ADMINISTRATIVE EXPENSES

Advertising \$ _____

Accounting/Audit _____

Legal/Partnership _____

Management Fee _____

Management Salaries/Taxes _____

Office Supplies/Telephone _____

Asset Management Fee's _____

Other (specify) _____

TOTAL ADMINISTRATION EXPENSES \$ _____

MAINTENANCE EXPENSES

Painting/Decorating/Cleaning \$ _____

Elevator _____

Exterminating _____

Grounds (Inc. Snow Removal) _____

Maintenance Salaries/Taxes _____

Maintenance Supplies _____

Repairs _____

Other (specify) _____

TOTAL MAINTENANCE EXPENSES \$ _____

OPERATING EXPENSES

Fuel Oil	\$ _____	
Electrical	_____	
Natural Gas or Propane	_____	
Water & Sewer	_____	
Trash Removal	_____	
Other (specify)_____	_____	
Other (specify)_____	_____	
TOTAL OPERATING EXPENSES		\$ _____

FIXED EXPENSES

Real Estate Taxes	\$ _____	
In Lieu of Taxes	_____	
Insurance	_____	
Other Taxes, Fees, Licenses	_____	
Other (specify)_____	_____	
TOTAL FIXED EXPENSES		\$ _____

TOTAL ANNUAL RESIDENTIAL OPERATING EXPENSE \$ _____

Projections for Financial Feasibility and Long-Term Viability

Provide a projection of cash flow using the income stated and expense figures stated in this application for the entire affordability period. **This Pro forma** will be calculated using the following prescribed method: Potential Gross Income less Vacancy Loss equals Effective Gross Income, less Operating Expenses equals Net Operating Income, less Debt Service equals Cash Flow. Project the cash flow annually from the date credit will be used or placed in service.

- Annual vacancy rate at 7%.
- Trend annual increase in income at 2%
- Trend annual increase in expenses at 3%.
- For replacement reserves a minimum of \$350 per unit (including managers unit(s)), per year and trended at 3% annually.

PROJECT FINANCING (SOURCES OF FUNDS)

Construction Financing

List all preliminary and enforceable financing commitments, including grants and provide copies of same. If the applicant plans to finance part or the entire project out of its own resources, the applicant must prove to SDHDA's satisfaction that such resources are available and committed solely for this purpose. If a mortgage broker is involved in arranging financing from another source, so indicate. Any owner equity contributions or deferred fees should also be listed below if the funds will provide a source of financing. Indicate with an asterisk (*) enforceable financing commitments.

No.	Name of Lender or Other Source	Amount of Funds	Interest Rate	Term	Commitment Date
1.		\$	%		
2.			%		
3.			%		
4.			%		
5.			%		
	Total Residential Construction Funds	\$			

(Please include commercial space on a separate sheet.)

Make copies of this page and complete the following for each Residential Construction Lender or source of funds.

1. Name of Lender/Source _____
 Address _____
 City _____ State _____ Zip Code _____ Phone _____

Source:	<input type="checkbox"/> Tax Exempt Bond	<input type="checkbox"/> Conventional	<input type="checkbox"/> HOME	<input type="checkbox"/> Private	<input type="checkbox"/> Owner Equity
	<input type="checkbox"/> Federal	<input type="checkbox"/> Local Gov't	<input type="checkbox"/> Other (Specify) _____		

Type:	<input type="checkbox"/> Amortizing Loan	<input type="checkbox"/> Grant	<input type="checkbox"/> Deferred Loan	<input type="checkbox"/> Forgivable Loan
	<input type="checkbox"/> Credit Enhancement	<input type="checkbox"/> Balloon	<input type="checkbox"/> Owner Equity	<input type="checkbox"/> BMIR***Loan
	<input type="checkbox"/> Other (Specify) _____			

2. Name of Lender/Source _____
 Address _____
 City _____ State _____ Zip Code _____ Phone _____

Source:	<input type="checkbox"/> Tax Exempt Bond	<input type="checkbox"/> Conventional	<input type="checkbox"/> HOME	<input type="checkbox"/> Private	<input type="checkbox"/> Owner Equity
	<input type="checkbox"/> Federal	<input type="checkbox"/> Local Gov't	<input type="checkbox"/> Other (Specify) _____		

Type:	<input type="checkbox"/> Amortizing Loan	<input type="checkbox"/> Grant	<input type="checkbox"/> Deferred Loan	<input type="checkbox"/> Forgivable Loan
	<input type="checkbox"/> Credit Enhancement	<input type="checkbox"/> Balloon	<input type="checkbox"/> Owner Equity	<input type="checkbox"/> BMIR***Loan
	<input type="checkbox"/> Other (Specify) _____			

***Below Market Interest Rate

Permanent Financing

List all preliminary and enforceable financing commitments, including grants and provide copies of same. If the applicant plans to finance part or the entire project out of its own resources, the applicant must prove to SDHDA's satisfaction that such resources are available and committed solely for this purpose. Any owner equity contributions or deferred fees should also be listed below if the funds will provide a source of financing. If a mortgage broker is involved in arranging financing, so indicate. Indicate with an asterisk (*) enforceable financing commitments.

No.	Name of Lender or Other Source (List all permanent financing sources)	Amount of Funds	Interest Rate	Term/ Amort	Annual Debt Service	Commitment Date
1.		\$	%		\$	
2.		\$	%			
3.		\$	%			
4.		\$	%			
5.		\$	%			
	Subtotal Permanent Financing	\$			\$	
	Gross Proceeds Historic Tax Credit	\$				
	Gross Proceeds Low-Income Tax Credit Exchange Program	\$				
	Total Permanent Financing Sources	\$				

(Please include commercial space on a separate sheet.)

Make copies of this page and complete the following for each Lender or source of funds.

1. Name of Lender/Source _____
 Address _____
 City _____ State _____ Zip Code _____ Phone _____

Source:	<input type="checkbox"/> Tax Exempt Bond	<input type="checkbox"/> Conventional	<input type="checkbox"/> HOME	<input type="checkbox"/> Private	<input type="checkbox"/> Owner Equity
	<input type="checkbox"/> Federal	<input type="checkbox"/> Local Gov't	<input type="checkbox"/> Other (Specify) _____		

Type:	<input type="checkbox"/> Amortizing Loan	<input type="checkbox"/> Grant	<input type="checkbox"/> Deferred Loan	<input type="checkbox"/> Forgivable Loan
	<input type="checkbox"/> Credit Enhancement	<input type="checkbox"/> Balloon	<input type="checkbox"/> Owner Equity	<input type="checkbox"/> BMIR***Loan
	<input type="checkbox"/> Other (Specify) _____			

2. Name of Lender/Source _____
 Address _____
 City _____ State _____ Zip Code _____ Phone _____

Source:	<input type="checkbox"/> Tax Exempt Bond	<input type="checkbox"/> Conventional	<input type="checkbox"/> HOME	<input type="checkbox"/> Private	<input type="checkbox"/> Owner Equity
	<input type="checkbox"/> Federal	<input type="checkbox"/> Local Gov't	<input type="checkbox"/> Other (Specify) _____		

Type:	<input type="checkbox"/> Amortizing Loan	<input type="checkbox"/> Grant	<input type="checkbox"/> Deferred Loan	<input type="checkbox"/> Forgivable Loan
	<input type="checkbox"/> Credit Enhancement	<input type="checkbox"/> Balloon	<input type="checkbox"/> Owner Equity	<input type="checkbox"/> BMIR***Loan
	<input type="checkbox"/> Other (Specify) _____			

*** Below Market Interest Rate

PROJECT COSTS AND USES

List all residential project costs (including non-restricted units). Housing tax credit applicants carry the cost amount over to the appropriate eligible basis category. **If the project involves acquisition and rehabilitation, the applicant will need to breakdown the cost percentage attributed to acquisition versus rehabilitation for costs such as Developer Fees. (Specify what ALL "other" costs are)**

Itemized Costs	Actual Costs	30% PV Eligible Basis (4% Credit)	70% PV Eligible Basis (9% Credit)	130% Adjustment High Costs Area*
PURCHASE LAND AND BUILDINGS				
Land		XXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXX
Existing Structures			XXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXX
Demolition				XXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXX
Other (Specify)				XXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXX
1. SUBTOTAL				XXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXX
SITE WORK				
On Site Improvements				
Off Site Improvements		XXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXX
Roads, Driveways & Walks				
Landscaping				
Signage				
Other (Specify)				
2. SUBTOTAL				
NEW CONSTRUCTION AND REHABILITATION				
New Buildings				
Rehabilitation				
Garages /Accessory Structures				
Garages/Other (Not in Basis)		XXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXX
General Requirements (max 6% hard costs)				
Contractor Profit (max 6% hard costs)				
Contractor Overhead (max 2% hard costs)				

Itemized Costs	Actual Costs	30% PV Eligible Basis (4% Credit)	70% PV Eligible Basis (9% Credit)	130% Adjustment High Costs Area*
Excise Taxes				
Building Fees & Permits				
Appliances				
Other (Specify)				
3. SUBTOTAL				
CONSTRUCTION CONTINGENCY				
Construction Contingency				
Other (Specify)				
4. SUBTOTAL				
PROFESSIONAL FEES				
Architect Design				
Architect Supervision				
Real Estate Attorney				
Real Estate Agent				
Engineer / Survey				
Physical Needs Assessment				
CPA – Cost Certification				
Other (Specify)				
5. SUBTOTAL				
CONSTRUCTION INTERIM COSTS				
Payment / Performance Bond				
Construction Insurance				
Construction Interest				
Construction Loan Origination Fee				
Construction Loan Credit Enhancement				

Itemized Costs	Actual Costs	30% PV Eligible Basis (4% Credit)	70% PV Eligible Basis (9% Credit)	130% Adjustment High Costs Area*
Title and Recording (construction only)				
Legal Fees				
Real Estate Taxes				
Other (Specify)				
6. SUBTOTAL				
PERMANENT FINANCING				
Bond Premium		XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
Credit Report		XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
Loan Origination Fees		XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
Credit Enhancement		XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
Cost of Issuance / Underwriter Discount		XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
Title and Recording		XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
Legal Fees		XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
Other (specify)		XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
7. SUBTOTAL		XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
SOFT COSTS				
Property Appraisal				
Market Study				
Environmental Reports				
Tax Credit Fees		XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
Rent-up (Marketing)		XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
Compliance Fees		XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
Soft Cost Contingency				
Other (Specify)				
Other (Specify)				
8. SUBTOTAL				

Itemized Costs	Actual Costs	30% PV Eligible Basis (4% Credit)	70% PV Eligible Basis (9% Credit)	130% Adjustment High Costs Area*
SYNDICATION COSTS				
Organizational (Partnership)		XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
Bridge Loan Fees		XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
Tax Opinion		XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
Other (Specify)		XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
9. SUBTOTAL		XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
DEVELOPER FEES				
Developer Fee				
Developer Overhead				
Developer Profit				
Consultant Fee				
10. SUBTOTAL				
PROJECT RESERVES				
Rent-Up Reserves		XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
Operating Reserves		XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
Replacement Reserves		XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
Debt Service Reserves		XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
Other (Specify)		XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
11. SUBTOTAL		XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
TOTAL RESIDENTIAL COST				
TOTALS				

DETERMINATION OF TAX CREDIT AMOUNT – HOUSING TAX CREDIT PROJECTS ONLY

	9% Rate Eligible Basis Calculation	4% Rate Eligible Basis Calculation
Total Project Cost	\$ _____	\$ _____
Less Amounts not Allowed into Basis	\$ - _____	\$ - _____
Less Grants	\$ - _____	\$ - _____
Less Amount of Nonqualified Nonrecourse Financing	\$ - _____	\$ - _____
Less Nonqualifying Units of Higher Quality	\$ - _____	\$ - _____
Less Historic Tax Credit Basis	\$ - _____	\$ - _____
Total Eligible Basis	\$ _____	\$ _____
Multiplied by the Applicable Fraction	X _____ %	X _____ %
Total Qualified Basis	\$ _____	\$ _____
Multiplied by the Applicable Federal Credit Rate	X _____ 9%	X _____ 4%
Maximum Allowable Credit Amount	\$ _____	\$ _____

Gap Calculation

(1) Total Project Cost	\$ _____
(2) Less Total Sources of Funds Including Owner Equity	- _____
(3) Equals Equity Gap	= _____
(4) Estimated Market Value of Tax Credit	_____ ¢ (cents)
(5) Tax Credits Needed (Line 3 divided by Line 4 divided by 10)	\$ _____
(6) Maximum Allowable Credit Amount (from above)	\$ _____
(7) Allowable Reservation Amount (lesser of Line 5 & Line 6)	\$ _____

Tax Credits Requested by Applicant \$ _____

Tax Credits Requested to be Exchanged (if any) \$ _____

PLEASE NOTE: The actual amount of credit for the project is determined by SDHDA

APPLICANT CERTIFICATION

The undersigned hereby acknowledges the following:

1. That this application form provided by SDHDA to applicants for Housing Tax Credit Exchange Program (TCEP) and Tax Credit Assistance Program (TCAP) funds including all sections herein relative to project costs, credit calculations, and determinations of the amount of funding necessary to make the project financially feasible, is provided only for the convenience of SDHDA in reviewing reservation requests; that completion hereof in no way guarantees eligibility for the Housing Tax Credit Exchange Program funds and/or Tax Credit Assistance Program funds or ensures that the amount of funding applied for has been computed in accordance with the CFR and/or Code requirements; and that any notations herein describing the CFR and/or Code requirements are offered only as general guides and not as legal authority;
2. that the undersigned is responsible for ensuring that the proposed project will be comprised of qualified low income buildings and that it will in all respects satisfy all applicable requirements of federal tax law and any other requirements imposed upon it by SDHDA at the time of award, should one be issued;
3. that, for the purposes of reviewing this application, SDHDA is entitled to rely upon the representations of the undersigned as to the inclusion of costs in eligible basis for the project as a whole and for each building therein individually as well as the amounts and types of credit applicable thereto, but that the issuance of a reservation based on such representations in no way warrants their compliance with the CFR and/or the Code requirements;
4. that SDHDA may request or require changes in the information submitted herewith, and may substitute actual figures for any estimated figures provided therein by the undersigned and may reserve Exchanged Housing Tax Credits, if any, in an amount different from the amount requested;
5. that reservations are not transferable without prior approval by SDHDA;
6. that the requirements for applying for TCEP and/or TCAP funding and the terms of any reservation or allocation thereof are subject to change at any time by federal or state law, federal, state, or SDHDA regulation, or other binding authority; and
7. that reservations will be subject to certain conditions to be satisfied prior to allocation.

Further, the undersigned hereby certifies the following:

1. The Applicant shall not, in the provision of services, or in any other manner, discriminate against any person on the basis of race, color, creed, religion, sex, national origin, age, familial status or handicap; and
2. that, to the best of its knowledge and belief, all factual information provided herein or in connection herewith is true and correct and all estimates are reasonable and can be obtained from any source named herein; and
3. the asset management functions required by TCEP and TCAP exceed the compliance monitoring functions required by the LIHTC program and that SDHDA may contract with a service provider to satisfy the asset management requirements. In circumstances where SDHDA awards TCEP funds, TCAP funds or combinations thereof to a project lacking a substantial LIHTC equity investor presence, SDHDA may require TCEP and/or TCAP recipients to engage in the services of an asset management/syndication firm selected by SDHDA and that the applicant is responsible for paying all costs associated with asset management and/or cash equity contract between the owner and SDHDA.
4. that it will at all times indemnify and hold harmless SDHDA against all losses, costs, damages, expenses, and liabilities of any nature or indirectly resulting from, arising out of or relating to SDHDA's acceptance, consideration, approval, or disapproval of this request and the issuance or non-issuance of Housing Tax Credit Exchange Program and/or the Tax Credit Assistance Program funding in connection herewith; and
5. that it provides SDHDA the right to exchange information with other state allocation agencies and with other parties as deemed appropriate by SDHDA.

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

I declare and affirm under the penalties of perjury that the claim (petition, application, information) has been examined by me, and to the best of my knowledge and belief, is in all things true and correct.

Legal Name of Applicant

Printed Name Title

Signature Date