

FREQUENTLY ASKED QUESTIONS – PART 2
2014 COMPETITIVE LOW-INCOME HOUSING TAX CREDIT INITIAL APPLICATIONS

Note: For FAQs 1 through 11, see <http://thda.org/Archive.aspx?ADID=464>.

12. If an Initial Application is claiming points for Developments Placed In Service After 1998 (Part VII-B-3-c of the 2014 QAP), must the developer entity be fully formed at the time the Initial Application is submitted?

ANSWER: Yes. The developer entity must be fully formed and the structure of the developer entity must satisfy the requirements of Part VII-B-3-c of the 2014 QAP in order for points to be awarded. If an Initial Application is **NOT** claiming points for Developments Placed In Service After 1998 (Part VII-B-3-c of the 2014 QAP), the developer entity is not required to be formed at the time the Initial Application is submitted.

13. If a Public Housing Authority (“PHA”) submits an Initial Application that includes HUD Rental Assistance Demonstration (“RAD”) funds as a source, however the PHA has not yet received a Commitment to enter into a Housing Assistance Payments Contract (“CHAP”), how will the Initial Application be treated?

ANSWER: The Initial Application may be eligible for the Public Housing Authority Set-Aside if the requirements of Part VII-A-2-b of the 2014 QAP are met. The Initial Application will **NOT** qualify for points under Part VII-B-3-d-(ii). If the Initial Application described in this example receives a Preliminary Award Letter, THDA will require the CHAP to be included with the Carryover Allocation Application. The Carryover Allocation Application deadline is July 28, 2014. Failure to include the CHAP with the Carryover Allocation Application will be grounds for cancellation of the Preliminary Award Letter.